

Exhibit 6

PALESTINIAN RELIEF AND DEVELOPMENT FUND

INTERPAL

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST DECEMBER 1998

CONTENTS	PAGE
General Information	1
Auditors' Report	2
Statement of Financial Activities	3
Balance Sheet	4
Notes to the Financial Statements	5 - 6

**PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL
FOR THE YEAR ENDED 31ST DECEMBER 1998**

GENERAL INFORMATION

REGISTERED CHARITY

Charity Registration Number : 1040094

BOARD OF TRUSTEES

Mr. E.Y Mustafa
Mr. M. Safiee
Dr. I. Shaker
Mr. G. Faour
Mr. I. Ginwala
Mr. I.B. Hewitt
Mr. S.I. Husain
Dr. A.K. Vania

BANKERS

National Westminster Bank Plc
286 Seven Sisters Road
Finsbury Park
London
N4 2BW

AUDITORS

M. Yunus & Co.
Chartered Accountants
Registered Auditors
320a Romford Road
London E7 8BD

AUDITORS' REPORT TO THE TRUSTEES OF

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

FOR THE YEAR ENDED 31ST DECEMBER 1998

We have audited the attached accounts which have been prepared under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF EXECUTIVE COMMITTEE AND AUDITORS

As described on page 5, the Executive Committee is responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Executive in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement; whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

OPINION

In our opinion the financial statements give a true and fair view of the state of the Charity's affairs as at 31st December 1998 and of its net surplus for the year then ended and have been properly prepared in accordance with the constitutional and Charities Act 1993.

M. Yunus & Co.
Registered Auditors & Chartered Accountants
320a Romford Road, London E7 8BD

15 September 1999

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 1998

	Notes	1998	1997
Income			
Donations received		1,742,098 =====	1,628,848 =====
Indirect expenditure:			
Fund raising	5	62,621	102,787
Management and administrative expenditure	6	66,535 -----	83,093 -----
		129,156 =====	185,880 =====
Income less indirect expenditure		1,612,942	1,442,968
Direct charitable expenditure:			
Aid, relief & education, etc.	7	1,427,207	1,316,474
NET MOVEMENT IN FUNDS FOR THE YEAR		185,735 =====	126,494 =====

The notes on pages 5 to 6 form part of these financial statements.

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

BALANCE SHEET AS AT 31ST DECEMBER 1998

	Notes	1998	1997
FIXED ASSETS			
Fixed Assets	4	83,837	12,680
CURRENT ASSETS			
Debtors & Prepayments		3,630	3,499
Cash at Bank and in Hand		591,246	468,570
		=====	=====
		594,876	472,069
		=====	=====
CURRENT LIABILITIES			
Creditors & Accruals		9,528	1,300
		=====	=====
NET CURRENT ASSETS		585,348	470,769
		=====	=====
NET ASSETS		669,185	483,449
		=====	=====

FINANCED BY:

CAPITAL RESERVE

Reconciliation of Funds

Total funds brought forward	483,450	356,956
Net movement in funds for the year	185,735	126,493
	=====	=====
Total funds carried forward	669,185	483,449
	=====	=====

Approved by the Committee:

Chairperson.....

Ibrahim Hawad
2.10.99



15 September 1999

The notes on pages 5 to 6 form part of these financial statements.

**PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1998**

1. ACCOUNTING POLICIES

a) Basis of Accounting:

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

b) Depreciation:

Depreciation is provided, after taking account of any grants receivable, to write off the cost or valuation of the fixed assets including assets subject to hire purchase contracts over their expected useful lives on the following annual rates on cost in first year and on written down value thereafter:

Freehold Properties	NIL
Fixtures and fittings	25%
Equipment	25%
Motor Vehicles	25%

c) Foreign currency translation

Income received from overseas and costs incurred in foreign currency are translated at the average rate during the year.

Balances with banks at the end of the financial year are translated at the closing rate.

	1998	1997
Average rate - £1 = US\$	1.66	1.63
Closing rate - £1 = US\$	1.66	1.63

2. RESPONSIBILITIES OF EXECUTIVE COMMITTEE

The Executive Committee is required to prepare financial statements for each financial year which give a true and fair view of the charity's state of affairs at the end of the year and income and expenditure for the year then ended. In preparing those financial statements, the Committee is required to select suitable accounting policies and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Committee must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operations. The Committee is responsible for keeping proper accounting records which disclose at any time the financial position of the charity and to enable it to ensure that the financial statements comply with the charity's constitutional and legal provisions. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

3. PARTICULARS OF EMPLOYEES

The average number and aggregate payroll costs of staff employed during year:

	No.	1998	No.	1997
Number of employees:				
Under £10,000	1	9,132	3	26,186
Between £10,000 - 20,000	2	29,000	3	35,791
		-----		-----
		£38,132		£61,977
		=====		=====

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1998

4. INTANGIBLE & TANGIBLE FIXED ASSETS

	Opening Balance	Additions	Disposals	Closing Balance
COST OR VALUATION				
Freehold Properties	-	71,845	-	71,845
Fixtures & Fittings	3,392	-	-	3,392
Equipment	20,693	2,482	-	23,175
	24,085	74,327	-	98,412
DEPRECIATION				
Freehold Properties	-	-	-	-
Fixtures & Fittings	1,961	358	-	2,319
Equipment	9,444	2,812	-	12,256
	11,405	3,170	-	14,575
NET BOOK VALUE				
Freehold Properties	-			71,845
Fixtures & Fittings	1,431			1,073
Equipment	11,249			10,919
	12,680			83,837

	1998	1997
5. FUND RAISING & PUBLICITY		
Campaign & travelling	10,708	9,489
Printing, postage & stationery	39,222	66,575
General fund raising	-	-
Advertising & publicity	12,691	26,726
	62,621	102,787
6. MANAGEMENT & ADMINISTRATIVE EXPENDITURE		
Premises & office expenses	25,817	25,588
Staff costs	38,132	61,977
Audit fees	1,645	500
Depreciation	3,170	4,226
Exchange loss/(Gain)	(2,229)	(9,198)
	66,535	83,093
7. DIRECT CHARITABLE EXPENDITURE		
Aid for Palestine	1,172,158	1,148,690
Aid for Palestinians in Jordan	50,453	47,762
Aid for Palestinians in Lebanon	167,576	91,715
Aid for Palestinians in Iraq	-	14,724
Education & other grants - UK	37,020	18,583
	1,427,207	1,316,474

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 1998

	1998	1997
INCOME		
Donations received	1,742,098	1,628,848
	=====	=====
Less: Indirect expenditure		
Campaign & travelling	10,708	9,489
Printing, postage & publicity	39,222	66,572
Advertising	12,691	26,726
	-----	-----
	62,621	102,787
Rent & rates	14,509	11,685
Alarm & security	292	1,405
Light and heat	1,223	1,518
Insurance	484	907
Repairs and renewals	357	814
	-----	-----
	16,865	16,329
Staff salaries	38,132	61,977
Telephone	4,722	5,889
Office expenses	813	867
Sundry expenses	1,305	885
Bank charges	1,227	1,418
Exchange loss/(gain)	(2,229)	(9,198)
Legal & professional	-	200
Accountancy fees	885	-
	-----	-----
	6,723	61
Auditors remuneration	1,645	500
Depn on F & F	358	477
Depn on office equipment	2,812	3,749
	-----	-----
	3,170	4,226
	-----	-----
	129,156	185,880
	=====	=====
Income less indirect expenditure	1,612,942	1,442,968
Direct charitable expenditure		
Aid for Palestine	1,172,158	1,148,690
Aid for Palestinians in Jordan	50,453	42,762
Aid for Palestinians in Lebanon	167,576	91,715
Aid for Palestinians in Iraq	-	14,724
Education and other grants - UK	37,020	18,583
	-----	-----
	1,427,207	1,316,474
	-----	-----
Net movement in funds for the year	185,735	126,494
	=====	=====

PALESTINIAN RELIEF AND DEVELOPMENT FUND
INTERPAL

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1997

CONTENTS	PAGE
Auditors' Report	1
Income and Expenditure Account	2
Balance Sheet	3
Notes to the Financial Statements	4 - 5

Charity Registration Number : 1040094

M. Yunus & Co.
Chartered Accountants
Registered Auditors
320a Romford Road
London E7 8BD

22 MAR '99 15:25

0000000 PAGE.004

HIGHLY CONFIDENTIAL

22/03 '99 16:31 00000000

006

PAGE 2

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1997

	Notes	1997	1996
INCOME			
Donations received		1,628,848 =====	1,320,109 =====
EXPENDITURE			
Indirect expenditure:			
Fund raising	4	102,787	63,353
Management and administrative expenditure	5	83,093 ----- 185,880 =====	95,760 ----- 159,113 =====
Income less indirect expenditure		1,442,968	1,160,996
Direct charitable expenditure:			
Aid, relief & education, etc.	6	1,316,474 -----	897,885 -----
NET SURPLUS FOR THE YEAR		126,494 =====	263,111 =====

The notes on pages 4 to 5 form part of these financial statements.



PAGE 3

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

BALANCE SHEET AS AT 31ST DECEMBER 1997

	Notes	1997	1996
FIXED ASSETS			
Fixed Assets	3	12,680	12,251
CURRENT ASSETS			
Debtors & Prepayments		3,499	3,639
Cash at Bank and in Hand		468,570	342,865
		-----	-----
		472,069	346,504
		=====	=====
CURRENT LIABILITIES			
Creditors & Accruals		1,300	1,800
		=====	=====
NET CURRENT ASSETS		470,769	344,704
		-----	-----
NET ASSETS		483,449	356,955
		=====	=====
FINANCED BY:			
CAPITAL RESERVE			
Fund balance Brought Forward		356,956	93,845
Excess of Income over expenditure for the year		126,493	263,111
		-----	-----
Fund balance Carried Forward		483,449	356,956
		=====	=====

Approved by the Committee:

Chairperson/Director.....

Treasurer

Secretary

10 June 1998



The notes on pages 4 to 5 form part of these financial statements.

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1997

1. ACCOUNTING POLICIES

a) Basis of Accounting:

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

b) Depreciation:

Depreciation is provided, after taking account of any grants receivable, to write off the cost or valuation of the fixed assets including assets subject to hire purchase contracts over their expected useful lives on the following annual rates on cost in first year and on written down value thereafter:

Fixtures and fittings	25%
Equipment	25%
Motor Vehicles	25%

c) Foreign currency translation

Income received from overseas and costs incurred in foreign currency are translated at the average rate during the year.

Balances with banks at the end of the financial year are translated at the closing rate.

	1997	1996
Average rate - £1 - US\$	1.63	1.67
Closing rate - £1 - US\$	1.63	1.67

2. RESPONSIBILITIES OF EXECUTIVE COMMITTEE

The Executive Committee is required to prepare financial statements for each financial year which give a true and fair view of the charity's state of affairs at the end of the year and income and expenditure for the year then ended. In preparing those financial statements, the Committee is required to select suitable accounting policies and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Committee must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operations. The Committee is responsible for keeping proper accounting records which disclose at any time the financial position of the charity and to enable it to ensure that the financial statements comply with the charity's constitutional and legal provisions. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.



PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1997

3. INTANGIBLE & TANGIBLE FIXED ASSETS

	Opening Balance	Additions	Disposals	Closing Balance
COST OR VALUATION				
Fixtures & Fittings	3,392	-	-	3,392
Equipment	16,037	4,655	-	20,693
	19,429	4,655	-	24,085
DEPRECIATION				
Fixtures & Fittings	1,484	477	-	1,961
Equipment	5,695	3,749	-	9,444
	7,179	4,226	-	11,405
NET BOOK VALUE				
Fixtures & Fittings	1,908			1,431
Equipment	10,343			11,249
	12,250			12,680

	1997	1996
4. FUND RAISING & PUBLICITY		
Campaign & travelling	9,489	11,762
Printing, postage & stationery	66,572	35,005
General fund raising	-	1,183
Advertising & publicity	26,726	15,403
	102,787	63,353
5. MANAGEMENT & ADMINISTRATIVE EXPENDITURE		
Premises & office expenses	25,588	34,423
Staff costs	61,977	53,713
Audit fees	500	1,200
Depreciation	4,226	4,083
Loss on disposal of assets	-	525
Exchange loss/(Gain)	(9,198)	1,816
	83,093	95,760
6. DIRECT CHARITABLE EXPENDITURE		
Aid for Palestine	1,148,690	826,004
Aid for Palestinians in Jordan	42,762	9,469
Aid for Palestinians in Lebanon	91,715	38,204
Aid for Palestinians in Iraq	14,724	19,658
Education & other grants - UK	18,583	4,550
	1,316,474	897,885



PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1997

	1997	1996
INCOME		
Donations received	1,628,848	1,320,109
	=====	=====
LESS EXPENSES :		
Aid for Palestine	1,148,690	826,004
Aid for Palestinians in Jordan	42,762	9,469
Aid for Palestinians in Lebanon	91,715	38,204
Aid for Palestinians in Iraq	14,724	19,658
Education and other grants - UK	18,583	4,550
	----- 1,316,474	----- 897,885
Campaign & travelling	9,489	11,762
Printing, postage & publicity	66,572	35,005
Advertising	26,726	15,403
General fund raising	-	1,183
	----- 102,787	----- 63,353
Rent & rates	11,685	17,587
Alarm & security	1,405	802
Light and heat	1,518	2,179
Insurance	907	898
Repairs and renewals	814	826
	----- 16,329	----- 22,292
Staff salaries	61,977	53,713
Telephone	5,889	7,606
Office expenses	867	106
Sundry expenses	885	1,286
Bank charges	1,418	2,683
Exchange loss/(gain)	(9,198)	1,816
Legal & professional	200	200
Accountancy fees	-	250
	----- 61	----- 13,947
Auditors remuneration	500	1,200
Depn on F & F	477	636
Depn on office equipment	3,749	3,447
Profit on disposal of F.A.	-	525
	----- 4,226	----- 4,608
	----- 1,502,354	----- 1,056,998
	=====	=====
NET SURPLUS FOR THE YEAR	126,494	263,111
	=====	=====



PAGE 1

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

AUDITORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 1997

We have audited the attached accounts which have been prepared under the historical cost convention and the accounting policies set out on page 4.

RESPECTIVE RESPONSIBILITIES OF EXECUTIVE COMMITTEE AND AUDITORS

As described on page 4, the Executive Committee is responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Executive in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

OPINION

In our opinion the financial statements give a true and fair view of the state of the Charity's affairs as at 31st December 1997 and of its net surplus for the year then ended and have been properly prepared in accordance with the constitutional and legal provisions.

M. Yunus & Co.
M. Yunus & Co.
Registered Auditors & Chartered Accountants
320a Romford Road, London E7 8BD

10 June 1998



**PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 1996**

CONTENTS	PAGE
Auditors' Report	1
Income and Expenditure Account	2
Balance Sheet	3
Notes to the Financial Statements	4-5

Charity Registration Number : 1040094

**M. Yunus & Co.
Chartered Accountants
Registered Auditors
320a Romford Road
London E7 8BD**

PAGE 1

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

AUDITORS' REPORT

FOR THE YEAR ENDED 31ST DECEMBER 1996

We have audited the attached accounts which have been prepared under the historical cost convention and the accounting policies set out on page 4.

RESPECTIVE RESPONSIBILITIES OF EXECUTIVE COMMITTEE AND AUDITORS

As described on page 4, the Executive Committee is responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Executive in the preparation of the accounts, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

OPINION

In our opinion the financial statements give a true and fair view of the state of the Charity's affairs as at 31st December 1996 and of its net income for the year then ended and have been properly prepared in accordance with the constitutional and legal provisions.

M. Yunus & Co
M. Yunus & Co
Registered Auditors & Chartered Accountants
320a Romford Road, London E7 8BD

22 May 1997



PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL
INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 1996

	Notes	1996	1995
INCOME			
Donations received		1,320,109 =====	1,255,460 =====
EXPENDITURE			
Direct charitable expenditure	4	897,885 -----	1,044,733
Indirect expenditure:		422,324	
Fund raising	5	63,353	55,454
Management and administrative expenditure	6	95,760 -----	61,428 -----
		1,056,998 =====	1,161,615 =====
NET INCOME FOR THE YEAR		263,111 =====	93,845 =====

The notes on pages 4 to 5 form part of these financial statements.



PAGE 3

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL
BALANCE SHEET AS AT 31ST DECEMBER 1996

	Notes	1996	1995
FIXED ASSETS			
Fixed Assets	3	12,251	9,844
CURRENT ASSETS			
Debtors & Prepayments		3,639	3,500
Cash at Bank and in Hand		342,865	82,321
		-----	-----
		346,504	85,821
		=====	=====
CURRENT LIABILITIES			
Creditors & Accruals		1,800	2,390
		=====	=====
NET CURRENT ASSETS		344,704	83,431
		-----	-----
NET ASSETS		356,955	93,845
		=====	=====
FINANCED BY:			
CAPITAL RESERVE			
Fund balance Brought Forward		93,845	-
Excess of Income over expenditure for the year		263,111	93,845
		-----	-----
Fund balance Carried Forward		356,956	93,845
		=====	=====

Approved by the Committee:

Chairperson/Director.....
Treasurer
Secretary

22 May 1997



The notes on pages 4 to 5 form part of these financial statements.

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1996

1. ACCOUNTING POLICIES

a) Basis of Accounting:

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

b) Depreciation:

Depreciation is provided, after taking account of any grants receivable, to write off the cost or valuation of the fixed assets including assets subject to hire purchase contracts over their expected useful lives on the following annual rates on cost in first year and on written down value thereafter:

Fixtures and fittings	25%
Equipment	25%
Motor Vehicles	25%

c) Foreign currency translation

Income received from overseas and costs incurred in foreign currency are translated at the average rate during the year.

Balances with banks at the end of the financial year are translated at the closing rate.

	1996	1995
Average rate - #1 - US\$	1.67	1.55
Closing rate - #1 - US\$	1.67	1.55

2. RESPONSIBILITIES OF EXECUTIVE COMMITTEE

The Executive Committee is required to prepare financial statements for each financial year which give a true and fair view of the charity's state of affairs at the end of the year and income and expenditure for the year then ended. In preparing those financial statements, the Committee is required to select suitable accounting policies and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Committee must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operations. The Committee is responsible for keeping proper accounting records which disclose at any time the financial position of the charity and to enable it to ensure that the financial statements comply with the charity's constitutional and legal provisions. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.



PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1996

Page 5

3. INTANGIBLE & TANGIBLE FIXED ASSETS

	Opening Balance	Additions	Disposals	Closing Balance
COST OR VALUATION				
Fixtures & Fittings	3,392	-	-	3,392
Motor Vehicles	1,500	-	1,500	-
Equipment	8,992	7,046	-	16,038
	13,884	7,046	1,500	19,430
DEPRECIATION				
Fixtures & Fittings	848	636	-	1,484
Motor Vehicles	375	-	375	-
Equipment	2,248	3,447	-	5,695
	3,471	4,083	375	7,179
NET BOOK VALUE				
Fixtures & Fittings	2,544			1,908
Motor Vehicles	1,125			-
Equipment	6,744			10,343
	10,413			12,251
		1996		1995

4. DIRECT CHARITABLE EXPENDITURE

Aid for Palestine	826,004	983,200
Aid for Palestinians in Jordan	9,469	24,781
Aid for Palestinians in Lebanon	38,204	5,811
Aid for Palestinians in Iraq	19,658	-
Education & other grants - UK	4,550	30,941

897,885 1,044,733

5. FUND RAISING & PUBLICITY

Campaign & travelling	11,762	8,733
Printing, postage & stationery	35,005	35,588
General fund raising	1,183	542
Advertising & publicity	15,403	10,591

63,353 55,454

6. MANAGEMENT & ADMINISTRATIVE EXPENDITURE

Premises & office expense	36,239	26,430
Staff costs	53,713	30,777
Audit fees	1,200	750
Depreciation	4,083	3,471
Loss on disposal of assets	525	-

95,760 61,428



PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

INCOME & EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31ST DECEMBER 1996

INCOME

Donations received 1,320,109

LESS EXPENSES :

Aid for Palestine	826,004	
Aid for Palestinians in Jordan	9,469	
Aid for Palestinians in Lebanon	38,204	
Aid for Palestinians in Iraq	19,658	
Education grants - Uk	850	
Special grants - UK	3,700	
	-----	897,885

Campaign & travelling	11,762	
Printing, postage & stationery	35,005	
Advertising & publicity	15,403	
General fund raising	1,183	
	-----	63,353

Rent	16,455	
Rates	1,132	
Light and heat	2,179	
Insurance	898	
Repairs and renewals	826	
Alarm & security	802	
	-----	22,292

Staff salaries		53,713
----------------	--	--------

Telephone	7,606	
Office expenses	106	
Sundry expenses	1,286	
Bank charges	2,683	
Exchange loss/(gain)	1,816	
Legal & professional	200	
Accountancy fees	250	
	-----	13,947

Auditors remuneration		1,200
-----------------------	--	-------

Depn on F & F	636	
Depn on office equipment	3,447	
Profit on disposal of F.A.	525	
	-----	4,608

NET INCOME FOR THE YEAR

1,056,998
=====

263,111
=====



**INTERPAL
Annual Report
1999**

Table of Contents:

	Page No:
INTERPAL at a glance	2
<u>Section 1:</u>	
Trustees Annual Report For The Year 1999	3
<u>Section 2:</u>	
Audited Financial Statements 1999	12
<u>Section 3:</u>	
Sample of 1999 Publicity Material	21

INTERPAL at a glance

CHARITY REGISTRATION

- **NUMBER** 1040094
- **DATE LAUNCHED** 5th November 1994
- **ADDRESS:** P. O. BOX 333, London, NW6 1RW, England
- **TELEPHONE NO:** 020-8450 8002
- **FAX NO:** 020-8450 8004
- **E-MAIL:** info@interpal.org
- **WEBSITE:** www.interpal.org

- **TRUSTEES**
 - Mr. Ibrahim Hewitt – Chairman
 - Mr. Essam Mustafa – Vice-Chairman
 - Mr. Shahan Husain
 - Mr. Ismail Ginwalla
 - Mr. Mahfuzh Safiee
 - Mr. Ghassan Faour
 - Dr. Issam Shaker (Retired 15/12/99)
 - Mr. Abdul-Kader Vania (Retired 11/03/00)

- **WHOM TO CONTACT**
 - INTERPAL Chairman:
Mr. Ibrahim Hewitt
 - Vice-Chairman:
Mr. Essam Mustafa

- **PRIMARY AREAS OF OPERATION**
 - Palestine (The West Bank and the Gaza Strip) and Refugee Camps in Jordan and Lebanon

- **THE MAIN AREAS OF INTERPAL'S WORK**
 - ♦ Humanitarian Aid
 - ♦ Education
 - ♦ Community Development
 - ♦ Health

- **BANKER**
 - NatWest Bank Plc.
 - Finsbury Park Branch
 - Sort code: 60-08-22
 - Address: 298 Seven Sisters Road, London, N4 2AF

- **AUDITOR**
 - M. Yunis and Co.
 - Chartered Accountants-Registered Auditors
 - 320A Romford Road, London, E7 8BD

INTERPAL Trustees Annual Report 1999. Page 2 of 10

SECTION 1

INTERPAL

Trustees Annual Report For The Year 1999

The number of Palestinian refugee has risen since 1990 and now stands at almost 3.8 million. Of these, Jordan hosts about 42%, 22% reside in the Gaza Strip, 16% are in the West Bank and 10% live in both Lebanon and Syria. Approximately half of the 3 million Palestinians living in the West Bank and Gaza Strip are displaced persons. According to the British Government's Department for International Development (DfID) the population in the West Bank and Gaza Strip do not register among the poorest in terms of absolute poverty. In fact it is in the lower middle income bracket in terms of annual per capita income. However, with an annual average of 3.7% population growth, per capita incomes have been falling since 1994.

What needs to be considered, though, is that, in the Palestinian context, indicators of poverty based on average incomes alone can be particularly misleading. A more appropriate concept of poverty is one that takes inequality and human rights into consideration. Many Palestinians in the West Bank and Gaza, regardless of whether or not they are refugees, and, indeed, the refugees in all of the aforementioned host countries, are characterised by vulnerability and insecurity of housing, employment and income. There are pockets of extreme poverty within the Palestinian population in these areas. The continuing plight of these distressed millions makes the work of charities such as INTERPAL all the more necessary and the support of our donors more urgently needed than ever before.

INTERPAL was founded as a Charitable Trust governed by a Trust Deed to aid, assist, guide and comfort poor and needy Palestinians in the West Bank and Gaza, Jordan and Lebanon. Its aim is also to relieve the hardship of these distressed persons, to provide them with protection from the elements, to promote good health within their community, to assist them in the advancement of education and to provide social welfare facilities and services.

The INTERPAL Board of Trustees bears the responsibility of formulating and implementing the Charity's policies. It oversees the overall management and the day-to-day running of the organisation. In addition to powers such as providing grants to help alleviate poverty, the Trustees have the power to establish and support development and rehabilitation projects, encourage employment and self-dependency, and construct, maintain and support holy places. The Board of Trustees must always have a minimum of five and a maximum of eleven members at any one time. Every future Trustee shall be appointed by a Resolution of the Trustees passed at a special meeting called by the Chairman or any two Trustees upon not less than twenty-one days' notice being given to the other Trustees of the appointment of a new Trustee.

INTERPAL focuses on four main areas of need within which many programmes and projects are established and supported in co-operation with the many local charitable organisations that are best placed to assess and administer most effectively to the needy. More than 80% of the funds distributed by INTERPAL have been used for strictly humanitarian purposes. This is a reflection of the needs of the Palestinians and the nature of the donations received by INTERPAL. Since the provision of educational, health and development facilities are now the responsibility of the relevant state authorities in Palestine, INTERPAL has more of a secondary than a primary care role. In fact, INTERPAL views the current situation as one requiring relief and assistance for a growing population faced with abject poverty and deprivation. The four main areas mentioned above and the five-year average percentage of income allocated to each are listed below:

1. Humanitarian Aid (83%)
2. Education (7%)
3. Community Development including Maintenance of Holy Sites (6%)
4. Health (4%)

The mainstays of INTERPAL's fundraising work are its four major programmes. These are the Ramadan and Qurbani Campaigns, and the School Kit Project which are launched annually; and the ongoing Sponsor an Orphan Programme. Additionally, INTERPAL sends delegations to Palestine as a means to ensure transparency and accountability of its operations, and launches one-off appeals (for example the 50 Years Appeal, 1998 and the Millennium Gift Aid Campaign, 1999) as and when the need arises. A review of INTERPAL activities in 1999 follows:

INTERPAL's Humanitarian Aid

Due to the nature of donations received and the wishes of the donors, a large proportion of INTERPAL's funds are used to provide humanitarian aid, including Ramadan and Qurbani projects as well as the Orphan Sponsorship programme.

Ramadan Campaign

Our supporters' kind and generous donations during this campaign enabled INTERPAL to spend in excess of £500,000 in support of special Ramadan projects, including food parcels, collective Iftars (the breaking of fast) at Al-Aqsa Mosque, 'Eid gifts for poor children and orphans and Zakat distribution to the poor and needy. Thousands of widows, orphans and families in the West Bank, Gaza, Jordan and Lebanon benefited at this special time of the year when Muslims the world over experience a renewal of their sense of belonging to the community. Although preparations for the Ramadan 1999/2000 Appeal went as planned, there was a decrease in the funds raised in the UK. It is believed that INTERPAL's regular supporters divided their charitable contributions among several causes in response to events in the Muslim world, such as the war in Kosovo, the floods in India, the Turkish earthquake and the renewed fighting in Chechnya, to name but a few. One problem faced was the backlog that built up while processing donations due to an acute staff shortage, but this was cleared by mid-January 2000.

Qurbani Project

The Qurbani Project is INTERPAL's second major programme of the year. In 1999 INTERPAL performed around 8,000 Qurbanis for the benefit of poor and needy Palestinians. A proportion of the total was done on behalf of other charities in Europe and the Middle East which were impressed by the cost-effectiveness of the INTERPAL Qurbani programme. As the price of a sheep is very expensive inside Palestine, only about 10% of the Qurbanis were performed there, helping to revitalise the economy by supporting local farmers. The meat was then distributed on the day of 'Eid, giving an added sense of occasion on the day.

The rest of the Qurbanis was performed outside Palestine where meat is cheaper. Half of the yield was frozen. Each sheep was divided into 6 portions before freezing to facilitate distribution. Two containers were shipped to Palestine and one to the refugee camps in the Lebanon. They arrived within 2 months of 'Eid and thus provided a further opportunity for the needy to eat meat. The other half was processed and canned, yielding about 200,000 tins of corned mutton. These were shipped to Palestine where the Qurbanis can be utilised by the poor as and when needed within 4 years of the date of production. A proportion of the canned meat was distributed as part of the Ramadan food parcels.

Orphan Sponsorship Programme

In 1999 INTERPAL was able to commit to helping approximately 1,200 orphans by providing each of them with £25 a month (apart from any gifts from their sponsors) to meet their basic needs. The Charity cannot emphasise enough that for these orphans and their families sponsorship is vital to their livelihood as it is often the only regular source of income they have.

INTERPAL's support for Community Development Projects (including support for religious sites)

In recognition of the importance and significance of the religious and cultural heritage of Palestine, INTERPAL provides support for the preservation and maintenance of Al-Aqsa Mosque. In 1999 support was given for the restoration and opening of Al-Aqsa Al-Qadim (also known as Solomon's Stables) as well as the provision of water coolers and guides in the mosque precinct. INTERPAL also supported and continues to fund Qur'an Tahfiz centres, and contribute towards the running costs (including managerial and development training for staff) of locally registered charitable organisations that provide an indispensable service to community development. As part of the economic development in INTERPAL's areas of operation, during 1999 INTERPAL supported a number of women's sewing and weaving workshops in Palestine and Jordan. In Lebanon, in conjunction with its local partner organisations, INTERPAL assisted in the provision of small interest-free loans for self-help income-generating schemes. This has proved very successful, and it is hoped that such schemes will be extended. INTERPAL also provided a water pump for Nahr Al-Barid Camp in northern Lebanon.

INTERPAL's support for Education

INTERPAL views education as a priority for the children of Palestine. It therefore strives to provide the means for Palestinian youth to attend and remain at school. One form of encouragement is the provision of school kits for children and financial help to meet a child's educational needs for a year both of which help to lessen the burden on families.

School Kit Appeal

A total of about £30,000 was spent on the provision of School Kits for 6,000 children, to help children return to school, to support poor pupils, and to provide grants for needy students in Palestinian universities. In partnership with other funding bodies INTERPAL also provided support for the Riyadh Al-Aqsa schools in Khan Younis, Gaza as well as a computer and a science laboratory in the Al-Salah Benevolent School for Orphan Children in Deir El-Balah, also in Gaza.

Summer Camps

Summer camps are an important part of life for children in Palestine. These programmes are organised during the long summer holidays to engage young people in useful and productive leisure and cultural activities. Due to the economic, political and social turmoil in the region, the camps give a real opportunity for children to enjoy their childhood. Separate programmes are conducted for boys and girls, including first aid, road safety, arts and crafts, short computer courses, day trips to places of interest and Qur'an Tahfiz programmes. INTERPAL gives its whole-hearted support in recognition of the significance and value of such projects, providing much-needed funds to help with running costs.

Support For Schools In Refugee Camps And Other Poor Areas

INTERPAL's commitment to educational projects extends to the provision of funds for the establishment of facilities such as kindergartens and nursery schools. Following the Trustees' visit to Lebanon in June 1999, a commitment was made to develop the kindergartens in Nahr Al-Barid, Al-Badawi and Burj El-Barajneh refugee camps.

INTERPAL's support for Healthcare and Medical Projects

By supporting healthcare and medical projects INTERPAL is helping Palestinians to have a better, healthier future. INTERPAL can never do enough in this field, but it has supported many worthwhile projects. For example, during the year INTERPAL has provided medical equipment for Al-Baqa and Jarash Refugee Camps' Medical Centres in Jordan and medical centres in Jericho and Gaza. INTERPAL funded the development of the X-ray unit at the Wafa' Elderly Nursing Home for Rehabilitation and Health in Gaza and the establishment of a maternity ward at Al-Razi Hospital in Jenin. INTERPAL, in partnership with another organisation, also opened the Khalid bin Walid Medical Centre in 'Ein El-Helwa, one of the largest Palestinian refugee camps in Lebanon.

INTERPAL's support for the disabled

One of INTERPAL's policies is to help the seriously disadvantaged. In this respect, support was given to the Al-Ihsan Charitable Society in Hebron to help care for a number of severely disabled children. Support was also given to the Deaf and Dumb School in Ramallah. In partnership with other donors INTERPAL helped to set up the Sour Community Disability Project in Lebanon. Apart from providing material support for this project the Charity provides monthly financial assistance to fifteen families of patients who attend the Project's day-care and training centre. INTERPAL also provided specialised equipment for Nabil Badran Centre for the Blind in Al-Bas Camp and the Abu Jihad Centre for the Disabled in Rashidiyyah Camp, Lebanon. In Jordan, INTERPAL sponsors 68 disabled children to meet their special educational needs, and provided wheelchairs to three different organisations caring for the disabled.

INTERPAL's Millennium Gift Aid Campaign

The Inland Revenue introduced the Gift Aid 2000 scheme in 1999 to enable charities involved with work in the advancement of education and relief of poverty in certain Third World countries to reclaim tax already paid on donations of £100 and above. However, Palestine, Jordan and Lebanon were not included on the list of eligible countries. Given its knowledge of those areas INTERPAL was shocked by this omission, and called for the immediate inclusion of these countries and territories. Response to the letters of appeal sent to INTERPAL supporters, various members of the Houses of Parliament, other charities and the community press was encouraging as the campaign received good press coverage. As a result, the question was addressed in Parliament by Patricia Hewitt, MP on behalf of H.M. Treasury, who said that there were no plans to include Palestine, Jordan and Lebanon in this scheme. Although this was disappointing in some ways, the Treasury explained that the whole Gift Aid scheme was to be re-vamped and that details would be announced in due course.

INTERPAL's investment in freehold properties

Building works on INTERPAL's investment freehold properties were completed by April and the properties were subsequently let. An agreement was reached with a letting agent to manage the properties. The Board's decision in 1998 to invest in these properties bore fruit in that the 1999 rental income fully paid for the rent of INTERPAL office premises in London.

One (Academic) year Student Placement in Industry

A Business IT student of the University of Westminster who started her work placement with INTERPAL in September 1998 completed her own project and her time with the charity in July. She was a valuable addition to the office during her placement and did much to improve the INTERPAL database, donation receipting process and the computer system in general.

INTERPAL's fact-finding missions to its areas of operation

As part of INTERPAL's review process and in an effort to ensure that the needs of the poor and needy are met, the members of the Board of Trustees and a member of staff went on fact-finding missions to all three of INTERPAL's main areas of operation to assess the prevailing conditions. The first delegation of INTERPAL Trustees went to Lebanon in June 1999. They reported that the conditions in Lebanon are appalling due to a chronic lack of funds and severe overcrowding in refugee camps. The refugees living in Lebanon really are the forgotten people of the so-called peace process, and their situation is desperate, arguably even more so than the refugees in Gaza, the generally accepted benchmark of desperation and poverty in the Middle East.

The INTERPAL delegate who went to Palestine in July reported that travel restrictions and the lack of freedom of movement makes it difficult for Palestinians to seek and obtain employment. Without an injection of much needed capital from the international community into the economy of Palestinian controlled areas, there appears to be little hope for future development. There is a great need for schools, hospitals, clinics and income-generating projects in order to help Palestinians break away from a dependency culture.

Some of the Trustees travelled again in August, this time to Jordan, to visit INTERPAL-aided projects and meet with representatives of the Charity's local partners and government ministers. The conclusion reached is that there must be concerted efforts to expand the scope of INTERPAL's work to provide for the ever-increasing population of refugees in and around Palestine.

The overall review of facts gathered during these trips has encouraged INTERPAL to make concerted efforts to raise more funds specifically for Community Development projects. Thus, in addition to existing programmes, INTERPAL hopes to increase funding for such projects in the future.

Comment on the Financial Report 1999

INTERPAL's total Incoming Resources for year 1999 amounted to £1,630,292. The slight drop in the Charity's income compared with the 1998 figure (£1,742,098) is mainly due to the fact that there was an extra fundraising campaign in 1998 (50th anniversary of the occupation of Palestine) as well as the drop in the result of the Ramadan Campaign as perhaps our supporters diverted their charitable contributions among several causes in response to events in the Muslim world.

It is with pleasure for INTERPAL to report that 87.3% of the above incoming resources, a total of £1,423,276 was expended on direct charitable projects. Of the rest, 7.8% was expended on indirect charitable expenditure including 3.7% on Fundraising and 4.1% on Administration and Management costs. The remaining 5.2% was retained to be distributed in the following year.

The bulk (81.2%) of funds expended on direct charitable projects went to Humanitarian Aid including the Ramadan Food Parcel Project, the Qurbani Meat Project and the Sponsor an Orphan Programme. This is due to the nature of the funds that we received as well as the donors' wishes. Educational projects, including the provision of school kits, assistance for poor and needy students and the building and maintenance of educational establishments received 8.1% of the funds.

A total of 5.4% was spent on Community Development Projects including small-scale projects, Qur'an Tahfiz Centres and support for local charitable organisations' running costs. Health and Medical Projects including the purchase of medical equipment and supplies and the treatment costs of needy patients received 5.3% of the funds. In all, 79.9% of the total distributed funds went to the West Bank and the Gaza Strip, 10.9% to Lebanon, 8.4% to Jordan and 0.8% to the United Kingdom.

INTERPAL aims to take positive steps towards raising more funds specifically for development projects as part of a move by the Trustees to increase the number of self-help and other schemes that will switch more needy Palestinians away from a dependency culture towards one of self-sufficiency.

The Statement of Financial Activity

INTERPAL has taken every effort to present its accounts in accordance with the Charities Statement of Recommended Accounting Practice (SORP). It is hoped that with the following Special Note in addition to Note 4 in the Audited Accounts this would comply with the requirements.

SPECIAL NOTE: Restricted and Unrestricted Funds

INTERPAL's Incoming Resources are best described as Unrestricted funds expendable at the discretion of the Trustees in furtherance of the objects of the charity. Although INTERPAL has set up a number of separate sub-bank accounts as well as a system to record the specifics of the donations received, this is totally for administrative purposes in order to facilitate the proper dispensation of the moral as well as the religious obligations of the Trust.

INTERPAL's donor base is founded primarily (but not exclusively) in the Muslim Community. Hence approximately 80% of donation specifications are usually religious in nature; i.e. *Zakat* and *Fitrana* (poor due), *Sadaqa* (alms for the poor and needy), *Lillah* (contributions for the sake of Allah SWT), and *Qurbani* (donations for the purchase and sacrifice of livestock where the meat is to be distributed to the poor).

Only in the case of *Fitrana* and *Qurbani* classifications, the Trustees are obliged to make arrangements to dispense with the funds in accordance with the religious requirement of time restrictions i.e.: *Fitrana* must reach the needy before the end of Ramadan and the *Qurbanis* must be performed within the specified four days of *Eid-ul-Adha*.

INTERPAL's Expenditure of Funds is however restricted to the designated charitable projects. The Beneficiaries, all bona fide charity organisations, are obliged to expend the funds strictly in accordance with the purpose they are allocated. INTERPAL has a well-established control procedure to ensure full accountability to its donors.

Conclusion

INTERPAL is greatly indebted to all its donors for their support throughout 1999. They have provided both practical and moral support during the year. The Charity is overwhelmed by their trust in the organisation and would like to express its sincere appreciation of their generosity. The Trustees would also like to note their appreciation of the hard work and dedication of INTERPAL's staff.

Approved by the Board of Trustees:



.....
Ibrahim Hewitt
Chairman of the Board of Trustees



Date: 16/9/00

SECTION 2

PALESTINIAN RELIEF AND DEVELOPMENT FUND
INTERPAL

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 1999

CONTENTS	PAGE
General Information	1
Auditors' Report	2
Statement of Financial Activities	3
Balance Sheet	4
Notes to the Financial Statements	5 - 6

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL
FOR THE YEAR ENDED 31ST DECEMBER 1999

GENERAL INFORMATION

REGISTERED CHARITY

Charity Registration Number : 1040094

BOARD OF TRUSTEES

Mr. E.Y Mustafa
Mr. M. Safiee
Dr. I. Shaker
Mr. G. Faour
Mr. I. Ginwala
Mr. I.B. Hewitt
Mr. S.I. Husain
Dr. A.K. Vania

BANKERS

National Westminster Bank Plc
286 Seven Sisters Road
Finsbury Park
London
N4 2BW

AUDITORS

M. Yunus & Co.
Chartered Accountants
Registered Auditors
320a Romford Road
London E7 8BD

AUDITORS' REPORT TO THE TRUSTEES OF
PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL
FOR THE YEAR ENDED 31ST DECEMBER 1999

We have audited the attached accounts which have been prepared under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF EXECUTIVE COMMITTEE AND AUDITORS

As described on page 5, the Executive Committee is responsible for the preparation of accounts. It is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the accounts. It also includes an assessment of the significant estimates and judgements made by the Executive in the preparation of the accounts and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the accounts.

OPINION

In our opinion the financial statements give a true and fair view of the state of the Charity's affairs as at 31st December 1999 and of its net surplus for the year then ended and have been properly prepared in accordance with the constitutional and Charities Act 1993.

M. Yunus & Co.
Registered Auditors & Chartered Accountants
320a Romford Road, London E7 8BD



PAGE 3

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 1999

	Notes	1999	1998
Incoming resources before transfers and revaluations			
Donations received - unrestricted	4	1,621,292	1,742,098
Investment Income:			
Rent receivable		9,000	-
		<u>1,630,292</u>	<u>1,742,098</u>
Direct charitable & fund raising expenditure:			
Aid, relief & education, etc.	5	1,423,276	1,427,207
Fund raising expenditure	6	60,411	62,621
		<u>1,483,687</u>	<u>1,489,828</u>
Indirect expenditure:			
Management and administrative expenditure	7	75,413	66,535
Total expenditure		<u>1,559,100</u>	<u>1,556,363</u>
Net income resources for the year		71,192	185,735
Total funds brought forward		669,185	483,450
Total funds carried forward		<u>740,377</u>	<u>669,185</u>

The notes on pages 5 to 6 form part of these financial statements.

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

BALANCE SHEET AS AT 31ST DECEMBER 1999

	Notes	1999	1998
FIXED ASSETS			
Fixed Assets	8	118,646	83,837
CURRENT ASSETS			
Debtors & Prepayments		8,000	3,630
Cash at Bank and in Hand		622,631	591,246
		=====	=====
		630,631	594,876
		=====	=====
CURRENT LIABILITIES			
Creditors & Accruals		8,900	9,528
		=====	=====
NET CURRENT ASSETS		621,731	585,348
		-----	-----
NET ASSETS		740,377	669,185
		=====	=====
FINANCED BY:			
CAPITAL RESERVE			
Reconciliation of Funds			
Total funds brought forward		669,185	483,450
Net movement in funds for the year		71,192	185,735
		-----	-----
Total funds carried forward		740,377	669,185
		=====	=====

Approved by the Committee:

Chairperson..... *[Signature]* 16/9/00.



The notes on pages 5 to 6 form part of these financial statements.

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL
NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1999

1. ACCOUNTING POLICIES

a) Basis of Accounting:

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

b) Depreciation:

Depreciation is provided, after taking account of any grants receivable, to write off the cost or valuation of the fixed assets including assets subject to hire purchase contracts over their expected useful lives on the following annual rates on cost in first year and on written down value thereafter:

Freehold Properties	2%
Fixtures and fittings	25%
Equipment	25%
Motor Vehicles	25%

c) Foreign currency translation

Income received from overseas and costs incurred in foreign currency are translated at the average rate during the year.

Balances with banks at the end of the financial year are translated at the closing rate.

	1999	1998
Average rate - 1 = US\$	1.66	1.66
Closing rate - 1 = US\$	1.66	1.66

2. RESPONSIBILITIES OF EXECUTIVE COMMITTEE

The Executive Committee is required to prepare financial statements for each financial year which give a true and fair view of the charity's state of affairs at the end of the year and income and expenditure for the year then ended. In preparing those financial statements, the Committee is required to select suitable accounting policies and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Committee must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operations. The Committee is responsible for keeping proper accounting records which disclose at any time the financial position of the charity and to enable it to ensure that the financial statements comply with the charity's constitutional and legal provisions. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

3. PARTICULARS OF EMPLOYEES

The average number and aggregate payroll costs of staff employed during year:

	No.	1999	No.	1998
Number of employees:				
Under 10,000	1	5,000	1	9,132
Between 10,000 - 20,000	2	35,249	2	29,000
		-----		-----
		40,249		38,132
		=====		=====

4. INCOMING RESOURCES

The charity's income resources are best described as un-restricted funds.

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 1999

	1999	1998
5. DIRECT CHARITABLE EXPENDITURE		
Aid for Palestine	1,137,944	1,172,158
Aid for Palestinians in Jordan	118,927	50,453
Aid for Palestinians in Lebanon	155,355	167,576
Education & other grants - UK	11,050	37,020
	-----	-----
	1,423,276	1,427,207
	=====	=====

6. FUND RAISING & PUBLICITY		
Campaign & travelling	11,572	10,708
Printing, postage, & publicity	48,839	51,913
	-----	-----
	60,411	62,621
	=====	=====

7. MANAGEMENT & ADMINISTRATIVE EXPENDITURE		
Premises & office expenses	27,745	25,817
Staff costs	40,249	38,132
Audit fees	1,055	1,645
Legal & professional	1,128	-
Depreciation	5,236	3,170
Exchange loss/(Gain)	-	(2,229)
	-----	-----
	75,413	66,535
	=====	=====

8. INTANGIBLE & TANGIBLE FIXED ASSETS	Opening			Closing
	Balance	Additions	Disposals	Balance
	-----	-----	-----	-----
COST OR VALUATION				
Freehold Properties	71,845	40,045	-	111,890
Fixtures & Fittings	3,392	-	-	3,392
Equipment	23,175	-	-	23,175
	-----	-----	-----	-----
	98,412	40,045	-	138,457
	=====	=====	=====	=====
DEPRECIATION				
Freehold Properties	-	2,238	-	2,238
Fixtures & Fittings	2,319	268	-	2,587
Equipment	12,256	2,730	-	14,986
	-----	-----	-----	-----
	14,575	5,236	-	19,811
	=====	=====	=====	=====
NET BOOK VALUE				
Freehold Properties	71,845			109,652
Fixtures & Fittings	1,073			805
Equipment	10,919			8,189
	-----	-----	-----	-----
	83,837			118,646
	=====	=====	=====	=====

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 1999

	1999	1998
INCOME		
Donations received	1,621,292	1,742,098
Investment Income:		
Rent receivable	9,000	-
	<u>1,630,292</u>	<u>1,742,098</u>
Direct charitable & fund raising expenditure:		
Aid, relief & education, etc.	1,423,276	1,427,207
Fund raising expenditure	60,411	62,621
	<u>1,483,687</u>	<u>1,489,828</u>
Indirect expenditure:		
Premises costs		
Rent & rates	17,196	14,509
Alarm & security	846	292
Light and heat	1,750	1,223
Insurance	484	484
Repairs and renewals	394	357
	<u>20,670</u>	<u>16,865</u>
Staff salaries	40,249	38,132
Office costs		
Telephone	3,326	4,722
Office expenses	363	813
Sundry expenses	1,476	1,305
Bank charges	1,695	1,227
Exchange loss/(gain)	-	(2,229)
Legal & professional	1,128	-
Accountancy fees	215	885
	<u>8,203</u>	<u>6,723</u>
Auditors remuneration	1,055	1,645
Depreciation		
Depn on freehold	2,238	-
Depn on F & F	268	358
Depn on office equipment	2,730	2,812
	<u>5,236</u>	<u>3,170</u>
	<u>75,413</u>	<u>66,535</u>
Total expenditure	<u>1,559,100</u>	<u>1,556,363</u>

SECTION 3

Interpal

Helping Palestinians in need ~ No. 2 November 1999



Committed to helping Palestinians in need

Interpal PO Box 3333, London NW61RW ~ Registered Charity No. 1040094

Interpal's Commitment

The number of registered Palestinian refugees now stands at around 3.8 million and rising daily. Many of these refugees are under 18 years of age, knowing no other life than one of exile. Their continuing misery makes the work of Interpal all the more essential and the support of our donors more vital than ever.

In providing much needed humanitarian aid Interpal is deeply committed to transparency in its affairs, with strict accountability to its donors. This is a condition of English charity law under which Interpal, as a British charity, has to operate. As part of our efforts to meet our legal obligations, Interpal looks constantly at ways to improve our efficiency and has, as a result, gone from strength to strength since its inception. The Trustees hope to continue this development as a dynamic and forward-looking charity in the years to come, *Insha'Allah*.



Interpal food aid, Gaza

Feedback ~ 99

We know that you, our supporters, like to know exactly where and how your generous donations have been spent. This section aims to give you feedback with details of the aid Interpal has given over the past months in our various fields of operation.

Interpal's Humanitarian Aid

Due to the nature of donations received and the wishes of the donors, a high proportion of Interpal's funds are used to provide Humanitarian Aid including Ramadan and Qurbani projects as well as the Orphan Sponsorship programme.

Ramadan Campaign

Alhamdulillah, with your kind and generous donations during the campaign of 1998/1999 Interpal spent in excess of £500,000 in support of special Ramadan projects including food parcels, collective *Iftars* at Masjid al-Aqsa, Eid gifts for poor children and orphans and Zakat distribution. Thousands of widows, orphans and families in the West Bank, Gaza, Jordan and Lebanon benefited at this special time of the year when Muslims the world over experience a renewal of their sense of belonging to the *Ummah*.

Qurbani Project

In 1999 Interpal performed about 8,000 Qurbanis. These were done on behalf of our own supporters as well as sister charities overseas impressed by the cost-effectiveness of the Interpal Qurbani programme. Of the meat yield, one container of frozen meat was despatched to and distributed in Lebanon, while two went to Palestine (one to Gaza and the other to the West Bank). A total of 200,000 cans of processed meat have been received in Palestine and a proportion of this shall be distributed as part of the Ramadan food parcels.

Orphan Sponsorship Programme

Thanks to your support Interpal is now committed to helping approximately 1,200 orphans, *Alhamdulillah*. This year alone around £365,000 was spent in providing each orphan with £25 a month (apart from any gifts from their sponsors). We cannot emphasise enough that for these orphans and their families sponsorship is vital to their livelihood as it is often the only regular source of income they have.

Continued on page 2...

Distribution of food parcels to Gaza





Interpal Trustees (right) inspecting donated medical equipment, Lebanon

...from page 1

Interpal's support for Healthcare and Medical Projects

By supporting healthcare and medical projects Interpal is helping Palestinians to have a better, healthier future, *Insha'Allah*. We can never do enough in this field, but in doing as much as we can we have supported various worthwhile projects. For example, Interpal, with your help, has provided medical equipment for Al-Baq'a and Jarash Refugee Camp Medical Centres in Jordan and medical centres in Jericho and Gaza. Interpal also funded the development of the X-ray unit at the Wafa' Elderly Nursing Home for Rehabilitation and Health in Gaza and the establishment of a maternity ward at Al-Razi Hospital in Jenin. Interpal, in partnership with another organisation, also opened the Khalid bin Walid Medical Centre in Ein El-Helwa, one of the largest Palestinian refugee camps in Lebanon.

Interpal's support for Community Development Projects

(including support for religious sites) In recognition of the importance and significance of the religious and cultural heritage of Palestine, Interpal provides support for the preservation and maintenance of Masjid al-Aqsa. In

Girl's Qur'an Tahfiz centre, West Bank



1999 support was given for the restoration and opening of Al-Aqsa Al-Qadim as well as the provision of

water coolers and guides in the mosque precinct. Interpal also supports Qur'an Tahfiz centres and contributes towards the running costs (including managerial and development training for staff) of locally registered charitable organisations that provide an indispensable service to community development. As part of the economic development in Interpal's areas of operation, during 1999 Interpal

supported a number of women's sewing and weaving workshops in Palestine and Jordan. In Lebanon, in conjunction with our local partner organisations we assisted in the provision of small interest-free loans for self-help income-generating schemes. *Alhamdulillah*, this has proved very successful, and we hope to extend the provision of this assistance. Interpal also provided a water pump for Nahr Al-Barid Camp in northern Lebanon.

Part of the Interpal-supported women's training project, West Bank



Interpal's support for Education.

A total of £30,000 was spent to provide School Kits for 6,000 children, help children return to school, support poor pupils and provide grants for needy students in Palestinian universities. In partnership with other funding bodies Interpal also provided support for the Riyadh Al-Aqsa schools in Khan Younis, Gaza, as well as a computer and a science lab in the Al-Salah Benevolent School for Orphan Children in Deir El-Balah, also in Gaza.

Summer camps

Summer camps are an important part of life for children in Palestine. These programmes are organised during the long summer holidays to engage young people in useful and productive leisure and cultural activities. Due to the economic, political and social turmoil in the region, the camps give a real opportunity for children to enjoy their childhood. Separate programmes are conducted for boys and girls, including first aid, road safety, arts and crafts, short computer courses, day trips to places of interest and Qur'an Tahfiz programmes. Interpal

gives whole-hearted support in recognition of the significance and value of such projects.

Support for schools in refugee camps

Interpal's commitment to educational projects extends to the provision of funds for the establishment of facilities such as kindergartens and nursery schools. Following the Trustees' visit to Lebanon a commitment was made to develop the kindergartens in Nahr Al-Barid, Al-Badawi and Burj El-Barajneh refugee camps.

Interpal's support for the disabled

One of Interpal's policies is to help the seriously disadvantaged. In this respect, in Palestine, support was given to the Al-Ihsan Charitable Society in Hebron to help care for a number of severely disabled children. Support was also given to the Deaf and Dumb School in Ramallah. In partnership with other donors Interpal helped to set up the Sour Community Disability Project. Apart from providing material support for this project we give monthly assistance to fifteen families of patients who attend the Project's day-care and training centre. Interpal also provided specialised equipment for Nabil Badran Centre for the Blind in Al-Bas Camp and the Abu Jihad Centre for the Disabled in Rashidiyyah Camp, Lebanon. Interpal sponsors 68 disabled children to meet their special educational needs. We also provided wheelchairs to three different organisations caring for the disabled in Jordan.

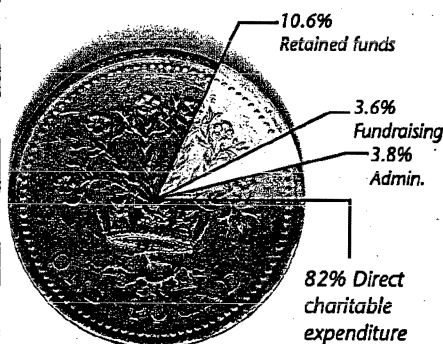
Interpal Trustees at a refugee camp kindergarten, Lebanon



Financial Report 1998/1999

Alhamdulillah, with your generous support Interpal's income has been increasing steadily over the past five years. Our total income for 1995 was £1.2 million, and the projected income for 1999 is £2 million, *Insha-Allah*. This is a reflection of your trust and faith in the way Interpal operates. On average 80% of our income is spent on Direct Charitable Expenses. Retained funds for future distribution amount to 10%. A total of 10% is used for Indirect Expenditure (i.e. 5% for Fundraising and 5% for Administration).

Total Income for 1998



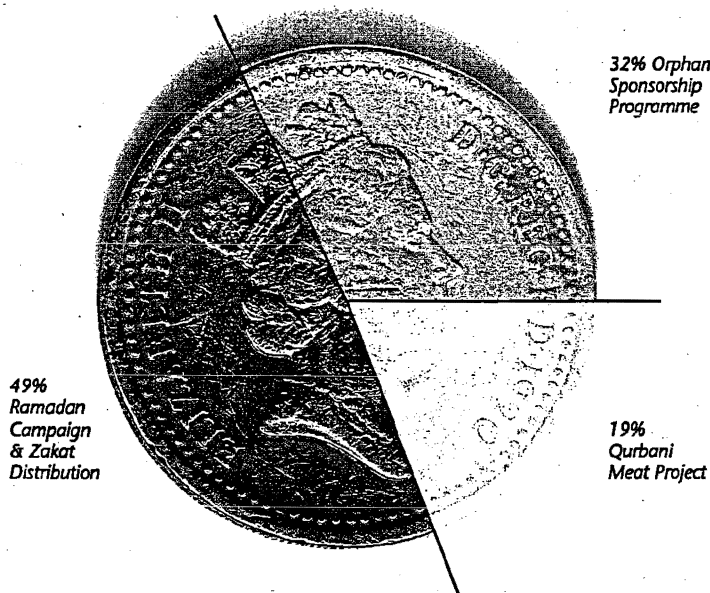
It is with pleasure for Interpal to report that its total income for 1998 was £1,742,098. This marks a rise in income of 7% whilst at the same time its indirect costs dropped by 4%. Fundraising expenditure amounted to 3.6%, and Management and Administration expenditure amounted to 3.8%, making a total of 7.4%.

Eighty-two percent of the total income (£1,427,207) was expended on direct charitable projects. The bulk (84%) of this went to Humanitarian Aid including the Ramadan Food Parcel Project, the Qurbani Meat Project and the Sponsor an Orphan Programme. This is due to the nature of the funds that we received as well as the donors' wishes. Educational projects including the provision of school kits, assistance for poor and needy students and the building and maintenance of educational establishments received 8% of the funds.

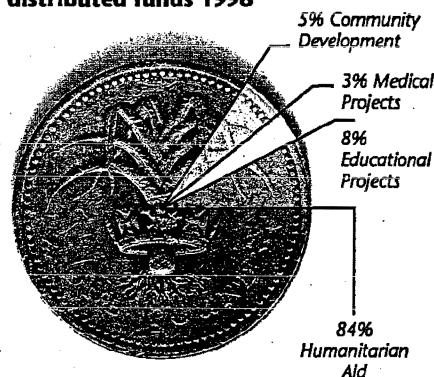
A total of 5% was expended on Community Development Projects including small-scale projects, Qur'an Tahfiz Centres and support for local charitable organisations' running costs. Health and Medical Projects including the purchase of medical equipment and supplies and the treatment costs of needy patients received 3% of the funds. In all, 82% of the total distributed funds went to the West Bank and the Gaza Strip, 12% was expended in Lebanon, 4% in Jordan and 2% in the United Kingdom.

A total of 10.6% of Interpal's income was rolled over, to be distributed the following year. Some of this money, along with that raised in later appeals, *Insha-Allah*, will be used by Interpal for development projects as part of a move by the Trustees to increase the number of self-help and other schemes that will switch more needy Palestinians away from a dependency culture towards self-sufficiency. This not only helps refugees and others financially, but also in terms of increased self-respect. The psychological benefits this has on individuals and families cannot be underestimated.

Per cent of Humanitarian Aid distributed



Per cent of distributed funds 1998



1999 Financial report so far...

Of the funds already distributed in 1999 80% was for Humanitarian Aid (48% Ramadan projects, 32% orphan sponsorship, 19% Qurbani projects and 1% direct Zakat distribution), 8% for education, 5% for Community Development projects and 5% on health programmes.

Although Interpal has managed to do so much, *Alhamdulillah*, this is no more than a drop in the ocean considering the needs of Palestinian refugees. Much more is needed to help the increasing number of Palestinian refugees. However, it is clear that the help we can give has a great effect because it has *Barakah*. Interpal's work has benefited tens of thousands of Palestine's orphans, widows and needy families by the Grace of Allah (SWT) and your generosity.

Observations of a visitor's trip to Palestine, Summer 1999

The constant presence of soldiers within Palestine advertises the fact that it is an uneasy peace that exists with each side full of distrust for the other. Whereas women have relatively more freedom to move from place to place Palestinian men everywhere yearn to be allowed to travel freely to seek employment or continue with their studies. They long to pray at Masjid al-Aqsa, but are prevented from doing so by the current Israeli law that restricts admission into the city to Jerusalemites or those with special dispensation to enter. Life for these men is one humiliating experience after another. They are often harassed for their identity papers at checkpoints and taken away for interrogation and perhaps detention on what appear to be flimsy grounds.

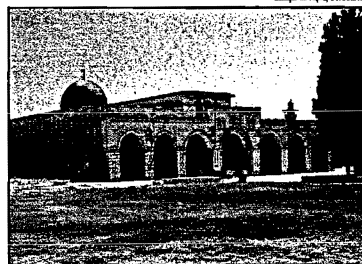


A great number of Palestinian families are destitute. Jobs are scarce because the impoverished economy of Palestine cannot sustain many industries. Thousands queue for the few available vacancies, many of which are in construction work. University students from poor families often work as manual labourers to pay for their education. Sadly, health and safety issues on construction sites are sacrificed to cut costs and a growing number of these once healthy young men are now paraplegics as a result of industrial accidents. Their lives are shattered as a result, placing an additional burden on their families. Abject poverty has other adverse

effects on the population. About 40% of women and 30% of men are illiterate. Children are forced to quit school because their families cannot afford what little it takes to send and keep them in school. Charitable organisations are hard at work trying to build schools and provide free education to these deprived children. Keeping them off the streets not only means the opportunity to educate and nurture them Islamically, but also to keep them from harm's way. A great number of casualties in hospital beds are children with nowhere else to play except by the roadside.

The Muslims of Jerusalem are desperately trying to keep things from falling apart at the holy site of Masjid al-Aqsa. The Al-Aqsa Heritage Committee cannot rely on Palestinians who are not from Jerusalem for practical help because entry into the city is restricted to people who are residents of Jerusalem. Non-Palestinians have a better chance of seeing Masjid al-Aqsa than the majority of people who live just a few miles away. For this reason the rest of the Muslim *Ummah* bears the collective responsibility (*Fardh Kifayah*) of safeguarding the Mosque. There has to be a conscious effort to encourage more Muslims to contribute towards its preservation and maintenance.

In addition, Muslims should make a conscious effort to visit Palestine and Masjid al-Aqsa (perhaps as part of their *Hajj* or *Umrah* trips) to see the conditions there for themselves. Only then are they able fully to understand the extent of the suffering that a majority of Palestinians have to endure and, *Insha'Allah*, find it in their hearts the means to help them.



What others say

ECONOMIC DEPRIVATION OF PALESTINIANS MAY LEAD TO BLOODSHED

The Chicago Tribune, 2 July 1999

By Raji Sourani. Raji Sourani is the director of the Palestinian Centre for Human Rights in Gaza.

Five years ago I watched my fellow Palestinians dance in the West Bank and Gaza streets after the signing of the Oslo Accords. Though I did not share the optimism, I understood their reaction. Many Palestinians believed the accord would lead to peace, statehood and a better life after years of occupation.

But now, as negotiators haggle over the percentages of the next Israeli deployment from the Occupied Territories, I can say that never in my worst nightmares did I imagine life could be as hard as it is today.

Rather than being rewarded for their active support for the peace process, Palestinians have been punished, usually in the name of protecting the peace and Israel's security. The result has been the systematic impoverishment of the Palestinian people and the extinguishing of their hopes.

Palestinians have seen an unprecedented deterioration in their living standards since Oslo. Even conservative official figures show (that) per capita income has declined a stunning 35 percent since 1993, leaving nearly 40 percent of Palestinians below the poverty line.

In my hometown of Gaza, a poor traumatised society suffers further indignity. Using security as a pretext, Israel has drastically restricted the movement of Palestinians and their goods, making it nearly impossible for Gazans to travel to the West Bank, East Jerusalem and Israel.

Fact-Finding Missions to Interpal's Areas of Operation

For most Gazans, the impact is even more personal and severe. A student, one of the generation of peace, is denied access to West Bank universities, stunting his future. A Gazan wife cannot visit her husband on the West Bank. A patient fails to reach urgent medical assistance, available only in Israel or East Jerusalem. Meanwhile nearly half the clinics in the West Bank and Gaza have shut down since 1993 due to lack of funds.

A labourer is not permitted to work in Israel, one of the few sources of employment available in an economy made dependent by occupation. Nearly 200,000 Palestinians [worked] in Israel in 1987, their wages the primary support for more than 1 million Palestinians. Now Israeli regulations limit employment to a fraction of that, with the Palestinians replaced by an estimated 400,000 foreign 'guest' workers.

What is the harvest of the peace process for these Palestinians? Misery, marginalisation and looming desperation.

The policies since Oslo have punished Palestinians for the sake of security. But security is meaningless and unattainable without a climate of political respect for human dignity.

No one should be surprised if the Palestinians' despair and economic desperation lead them to give up on the peace process and look elsewhere for solutions. When you impoverish and delude people in the name of peace and security and leave [them] nothing to hope for, they have nothing to lose - a dangerous formula that can only lead to violence and bloodshed. I am saddened to report that we are on that path.

As part of Interpal's efforts to ensure that the needs of the poor and needy in Palestine and its neighbouring countries are met as effectively as possible, representatives of the organisation were sent to Palestine, Lebanon and Jordan to assess the prevailing conditions. The first delegation - of Interpal Trustees - went to Lebanon in June. They reported that the conditions in Lebanon are exceptionally poor due to lack of funding and severe overcrowding. The refugees living in Lebanon really are the forgotten people of the so-called peace process, and their situation is desperate, arguably even more so than the refugees in Gaza, the generally accepted benchmark of desperation and poverty in the Middle East.

Our representative who went to Palestine in July reported that travel restrictions and the lack of freedom of movement makes it difficult for Palestinians to seek and obtain employment. Without an injection of much needed capital from the international community into the economy of Palestinian controlled areas, there is little hope for future development. There is a great need for schools, hospitals, clinics and income-generating projects in order to help Palestinians break away from a dependency culture. The constant struggle in Jerusalem to preserve Masjid al-Aqsa for future generations should touch the heart of every Muslim. All Muslims have a duty to take responsibility for safeguarding the

heritage of Masjid al-Aqsa. Its very existence is threatened by Zealots and it is our collective responsibility to ensure the survival of the first *Qibla* of Islam.

Some of the Trustees travelled again in August, this time to Jordan to visit Interpal-aided projects and meet with representatives of our local partners and government ministers. The conclusion reached is that there must be concerted efforts to expand the scope of Interpal's work to provide for the ever-increasing population of refugees in and around Palestine.

Interpal's full name is the *Palestinian Relief and Development Fund*. Up to now, the emphasis has been largely on relief efforts. What has been made very clear by the visits noted above is that there is a need for a shift in focus, for Interpal to move on to a new phase linking its own development with the development of self-help and community-based projects of long-term benefit for Palestinians. We need to employ new strategies in fundraising and raising awareness of the plight of displaced and needy Palestinians. Whereas much has been done to help widows and orphans, more must be done to help needy families, poor students and generally run-down and disillusioned communities. We are hoping to develop sufficiently to be able to meet these needs, *Insha'Allah*, and hope that we can count on your partnership and support in this pioneering development.

Interpal Trustees inspecting living conditions in a refugee camp, Lebanon



Children of Palestine



Mohamed, aged 7 years, lives in Gaza

THE STORY OF MOHAMED

Mohamed is a Palestinian child born in Saudi Arabia where his parents were both working as doctors. He is one of five children. Mohamed led a happy life until tragedy struck and claimed the life of his father. His mother decided to return to Gaza with all her children. Tragedy struck once again not long after their return when Mohamed's mother passed away too.

Mohamed and his siblings are now being cared for by their ageing grandfather who is unable to find employment. They live in the house that Mohamed's parents were able to provide while they were alive. Unfortunately, the nice house is the only thing that the children have. If they sold it they would be homeless. It is also unfortunate that the nice house disguises the fact that Mohamed and his family are practically destitute because there is no one to provide for them. It is very difficult for the grandfather to ask for help because, after seeing the house, people often mistake them for a wealthy family.

What happened to Mohamed and his family could happen to any of us at any time. One day they were living comfortably and the next they had lost almost everything. Needless to say the children were extremely traumatised by the loss of their parents in relatively quick succession. It has only been through the support of their grandfather and other relatives that they are gradually coming through their emotional crisis. Everyone is trying to do their best to give the children a stable environment and the chance to continue with their schooling. It would be a terrible shame if they had to leave school due of poverty because all of the children are excellent pupils.

THE STORY OF SAMIRA

Samira has two sisters and a brother all of whom are younger than she is. They live in a squalid tenement in the Old City of Nablus in the West Bank. Their home is one room with a sink opposite the stove where Samira washes the pots and pans. Since there is no evidence of a bathroom anywhere in her home, one must assume this is where the children also wash themselves.

There are no windows in the room and the only source of ventilation is the front door that has to be kept open at all times in the heat of the

Samira (extreme left) with her siblings at their West Bank home



summer and closed during the cold of winter. Samira and her siblings have to be alert all the time in case anyone comes through the flimsy door and harms them; no one would even think of bothering to ransack their home for anything valuable. They have nothing except some clothes, bedding and a few miserable possessions.

Samira and her sisters and brother have lived on their own having to fend for themselves for two or three years since their mother passed away. However, these children do not get as much pity and sympathy as other children who have lost a parent and are classed as orphans. These four are not orphans because their father is still alive. Sadly, the fight to survive, the daily grind of living below the poverty line and worrying about how to provide for his children while he has continually failed to find employment has driven their father to give up the struggle altogether and abandon his children. He left them soon after his wife died.

It has therefore fallen on Samira's young shoulders to keep her family together by caring for her sisters and brother. Samira was thirteen when her mother died and her father left. She had to choose between school and caring for her younger siblings. It was not much of a choice. Being the eldest there was only one thing she could do. Samira is small for her age and she has the expression of a tired old woman. Circumstances have forced her to grow up mentally and age physically before her time. She is now not only a sister to her siblings, but also their father and mother. Being female she does not have the option of undertaking hard manual labour to earn a living. Having left school at thirteen she has not learned enough skills to enable her to find employment anywhere else. Samira is therefore totally reliant on charity to support her family.

Samira and Mohamed are two examples from many thousands of tales of hardship that have emerged in the aftermath of life under occupation. Grinding poverty affects equally not only the families of orphans and widows but also other needy families. According to the Palestinian Centre for Population and Statistics about 47% of the population are under the age of fifteen. For many like Samira,



A Note of Thanks...

there is no alternative but to give up their education to help put food on the table and a roof over their heads. Their fathers have either been killed or imprisoned fighting for their rights, or are too ill to work and unable to pay for the necessary treatment, or are too poor to provide for their families.

Who is there to help these innocent children who are paying the price for political and economic strife? Allah (SWT) watches over all of us, but He has made some of us more fortunate than others. Surely we in Britain have a duty to help and provide for Samira, Mohamed and the many others like them. Lack of wealth is a severe test from Allah SWT, but let us not forget that having wealth is also a test. The measure of our wealth is not what determines our place in the Hereafter, rather it is determined by how we use our wealth during our lifetime. Interpal would like to urge all our donors and supporters to spend their wealth for the sake of Allah (SWT) by helping the poor, the needy, the disabled, the underprivileged and the oppressed. The children of Palestine are the embodiment of a life of suffering and deprivation. We sincerely hope that you will not let their cry for help go unheeded, *Insha'Allah*.

Support Interpal and help give these children a better future



...to our donors and supporters for their unstinting support throughout the year in responding so quickly and generously to our campaign appeals.

... to mosque management committees for allowing our mobile fundraising teams to make collections for the benefit of the poor and needy of Palestine throughout the holy month of Ramadan.

... to our wonderful volunteers for their valuable time and effort.

May Allah (SWT) reward you with nothing less than *Al-Jannah* for your kindness and generosity. Amin.

Appreciation

Our heartfelt gratitude goes to Sister Sakinah, a final year Business IT student at the University of Westminster for spending the best part of a year with us during her industrial placement. Sister Sakinah elected to do her placement as a volunteer and is responsible for our new style official receipt and thank you letter amongst other things. We would like to wish Sister Sakinah the very best in her studies, *Insha-Allah*. May Allah (SWT) light the way to a successful future for her. Amin.

Interpal Trustee (right) at the Sour Disability Community Project, Lebanon

'Thank you, Interpal!'

'We have had so much benefit from your funding support, without you we would not even exist at all to help these families in such significant need. Also, with your recent input the children are so much more comfortable in the



centre and in the bus. And when we take them to see specialists in Beirut they can have a pleasant journey and be more able to talk easily and clearly with the doctors they see there. In addition, the families who get the monthly allowance for medicines and pampers are very happy, and are now able to keep their children's epilepsy well controlled, thus avoiding further brain damage (*Insha'Allah*).'

From Nicky Atherton, Co-ordinator of the Sour Community Disability Project, Lebanon.

'May I ask you on behalf of our Lebanon Project to thank the Trustees of Interpal very warmly for their generous contribution to our work. We are now exploring with the shippers who will be the most appropriate to pack up and send out the specialised equipment (for blind Palestinian refugee children) which is ready to go. We shall send it c/o of UNRWA to ensure safe delivery. Once more our very sincere thanks.'

From Jo Beech, Lebanon Project Co-ordinator, Royal London Institute for the Blind.

How you can help

So now you want to help Interpal in its work, Insha'Allah?

We accept many forms of donations, and you can also become a volunteer and help to raise funds in your own area. We urge all our donors not only to give generously with time and money, but also to tell others of Interpal and our work. We desperately need your support to increase and maintain our donor base (and please don't forget to tell us of any change of address when you move or leave the country, of any errors in your name, address or postcode, and of any duplicate mailings to your address!).

You can also help by getting your colleagues at work or school/college/university and your family, friends and neighbours to contribute regularly to Interpal projects and campaigns. Keeping an 'Al-Aqsa collection box' in a prominent place in your home and business is an excellent example of how this can be done. All we ask is for a small contribution towards sending you the box itself, and for you to send us a cheque for the value of the contents when it is full, Insha'Allah. It couldn't be easier.

Why not include Interpal as a beneficiary when you are organising charity bazaars and fund-raising events? We can let you have leaflets, posters and videos for display and distribution, and we would be happy to supply a speaker (subject to availability) to talk about Palestine and the work of Interpal.

We would like to express our deepest gratitude for all those who have written to their MPs in support of Interpal's campaign to include Palestine, Lebanon and Jordan in the Millennium Gift Aid Scheme. The Inland Revenue scheme will allow charities involved with education and relief of poverty in the Third World to reclaim tax already paid on donations of £100 or more, instead of the usual £250. In response to our campaign and your efforts the question was raised in Parliament. The reply made by the Treasury Minister, Patricia Hewitt (the MP for Leicester West but no relation to our Chairman of Trustees who lives in her constituency!), explained;

'As the MGA is targeted at the world's poorest countries with a debt burden, it was decided to limit the relief to the 80 countries that are eligible for lending either by the

International Development Association (IDA) and the International Bank for Reconstruction and Development. Palestine, Jordan and the Lebanon are not on this list, and so do not qualify for MGA. Our Review of Charity Taxation proposes extending the advantages of MGA to all charitable causes after 31 December 2000, when the MGA scheme finishes. This will be of benefit to all charities, including those involved with the Palestinian refugees.'

Remember, as with your donations and letters to your MP, everything you do for our poor and needy brothers and sisters in Palestine counts. What you may consider to be of little significance goes a long way in improving their situation and making a difference to their lives. Although we were not successful on this occasion, and Palestinians have lost out on many thousands of pounds that could otherwise have been reclaimed from the Inland Revenue, people at the Treasury are now aware of the depth of feeling that exists in support of our cause. It was your letters that helped to do this, Alhamdulillah!



Raise funds for Interpal and save money on your phone calls. Call ACC Telecom for more details. Tel: 0800 980 9999

METHODS OF PAYMENT

Postal donations in the form of cheques or postal orders, payable to Interpal, can be sent to: **Interpal PO Box 3333, London NW6 1RW**

Your donations can be given as Zakat, Sadaqah, Lillah or simply as a general donation.

We accept telephone donations using most major credit cards on 0181 450 8002.

We also accept CAF card and CAF cheque donations.

Alternatively, you can make a deposit directly into our bank account at: National Westminster Bank plc, Finsbury Park Branch, 298, Seven Sisters Road, London, N4 2AF. (Sort Code 60-08-22, account number 95142940)

Tax saving scheme

If you are a UK taxpayer, you may help us further as we can reclaim the tax already paid by you on certain donations. These are: single payments of £250 or more (the Gift Aid Scheme) or regular payments of any amount or frequency made with a Deed of Covenant over four years.

Volunteers

If you think you can assist Interpal in any way, or would like to become a volunteer operating in your own area or at our office, please contact us at the address above.

For more information on any of Interpal's campaigns or projects please get in touch or look out for our leaflets.

Interpal: Palestinian Relief & Development Fund

Tel: 020 8450 8002
Fax: 020 8450 8004

E-mail: info@interpal.org

Interpal Online:
www.interpal.org



Registered Charities, Annual Return

Charity Database Division, PO Box 241, Liverpool L69 3XQ
Helpline 0151-703-1515 (6 lines) Fax 0151-703-1564
Internet Address: <http://www.charity-commission.gov.uk>



AR8

1040094

FINANCIAL YEARS ENDING ON OR AFTER 28 FEBRUARY 1999

Completion Notes

- 1** You are legally required to complete Section 1 of this return if the charity is registered with us and either the gross income or the total expenditure of the charity is over £10,000, in the financial year covered by this return. You are, in addition, legally required to complete section 2 if either the gross income or total expenditure exceeds £250,000 in the financial year.

Please refer to the reverse of the letter accompanying this return for guidance on how to calculate gross income and total expenditure.
- 2** We are issuing this form to all registered charities - including those that appear from our records to be small - because we do not know when issuing it whether the gross income or the total expenditure of a charity in the financial year covered by the return is over £10,000. If both the gross income and total expenditure in the year is £10,000 or less you should not complete this form.
- 3** All the questions relate to the financial year covered by this return, unless stated otherwise. The financial year covered by this return will be that ending on or after 28 February 1999. If the charity's financial year ends before 28 February 1999, you should complete a form AR7 which should already have been sent to you. If you need another copy of AR7 please contact our Helpline.
- 4** Mae'r ffurflen fynyddol hon ar gael yn Saesneg neu yn Gymraeg. Os ydych wedi derbyn ffurflen Saesneg, and byddafn well gennych lenw'r ffurflen yn Gymraeg, cystylltwch d'n Llinell Gymorth a bydd ffurflen Gymraeg yn cael ei anfon atoch. (This annual return is available in English or Welsh. If you have received an English version but would prefer to complete the return in Welsh, please contact our Helpline and a Welsh version will be sent to you.)
- 5** This annual return must be sent to us within 10 months of the end of the financial year to which it relates. However, where we have agreed to extend the period for transmitting the annual report and accounts for that year, the period for sending back this return is similarly extended. If your return has not been received by the due date we will issue one reminder. The Commission has statutory powers to act for the protection of charities and may exercise those powers where charities which should send a return fail to do so.
- 6** Trustees who are required to send a completed return to us but who, without good reason, persistently refuse to do so, or who give answers which they know or suspect are untrue or misleading, may be committing an offence.
- 7** Failure to complete and send back this annual return if you appear to be legally required to do so (see Note 1 above) may be taken as evidence that the charity has ceased to exist, no longer operates, or no longer meets the minimum requirements for registration and this may lead to steps being taken to remove the charity from the Register.
- 8** Please enter all financial amounts in sterling to the nearest £.
- 9** Where there is no information to be entered in a particular box please enter 'None'.
- 10** Information entered in this return in boxes with a double border  may be recorded on the register and be open to public inspection. Information entered in boxes with a single border  may be recorded on the register, but, if it is, it will not be available for public inspection.
- 11** Please bring the contents of this annual return to the attention of all the charity's trustees. Please seek advice if you have any doubts about how to complete it. You may wish to keep a copy of your completed return.
- 12** If the charity has ceased to operate, please send this form back with a letter explaining the circumstances.
- 13** If you need any assistance in completing this return please contact our Helpline on 0151-703-1515.

REGISTERED NUMBER

1040094

MAIN CHARITY NAME

PALESTINIANS RELIEF AND DEVELOPMENT FUND

LDN

AD/0006031/1-2



1040094.

Section 1

- You should only complete this form if your gross income or total expenditure exceeds £10,000 in the financial year.
- Please note that 'Y' or 'N' can be used as acceptable abbreviations of YES and NO when completing either Sections 1 or 2.

Financial Year

- 1 Please show the financial year that this return covers.

Financial year Start

01 01 1999

Financial year End

31 12 1999

The financial year should end no earlier than 28 February 1999 (see Completion Note 3).

Gross Income and Total Expenditure

- 2 Please extract the following information from the accounts prepared for the financial year

Gross income

£1,630,292

Total Expenditure

£1,559,100

Please refer to the reverse of the letter accompanying this return on how to work out gross income and total expenditure.

In all cases please take the figures from the charity's accounts.

The Statement of Recommended Practice on Accounting by Charities recommends that, in certain circumstances, a charity should, in addition to its own accounts, prepare consolidated (or group) accounts for itself and its subsidiary undertakings such as connected trading companies. The figures should not be taken from any such consolidated accounts.

For the meaning of "connected trading company" see the notes to question 9.

The gross income and the total expenditure figures should be calculated for the whole of the financial year shown above even if the actual period is longer or shorter than a year (in some cases this may be as little as 6 months or as long as 18 months).

Internal Management

- 3a Those who examine accounts may from time to time produce a report concerning weaknesses in accounting and internal control systems.

Has the charity received a report during the financial year, or on the accounts prepared for the financial year, from an auditor, reporting accountant or independent examiner concerning any material weakness in its accounting and internal control systems?

Please answer YES or NO

NO

- b If YES to Question 3a, has action been taken to deal with it, at any time before the date you complete this form?

Please answer YES or NO

YES

If further information is needed, please see our leaflet CC8: Internal Financial Controls.

- a If further information is needed, please see our leaflet CC20: Charities and Fund-raising.

- b The gross amount received from fund-raising efforts includes:

- solicited gifts (eg gifts which result from direct mailing, telephone canvassing, public collections, sponsorship arrangements);
- the proceeds of sale of goods or services (eg income from lotteries and competitions and charity shops);
- money received from the National Lottery Distribution Fund.

It does not include:

- gifts by will;
- unsolicited gifts;
- membership subscriptions;
- any investment income;
- gifts or dividends received from connected trading companies;
- income received from central or local government funds or from other statutory funds.

For the meaning of "connected trading company" please see the notes to question 9.

- c The term "professional fund-raiser" does not include a trustee or an employee of the charity. The term is defined in Part II of the Charities Act 1992.

- d The term "professional fund-raising consultant" means any person who is paid to advise the charity about its fund-raising. It does not include a trustee or employee of the charity, nor does it include anybody within the statutory definition of professional fund-raiser. However, if the consultant carries out a fund-raising business or does more than merely provide advice, that person is likely to be a professional fund-raiser, even though his is not actually raising funds for the charity and the requirements of Part II of the Charities Act 1992 may apply. If this is the case please answer Yes to question 4c.

Fund-raising

- 4a Does the charity engage in fund-raising efforts?

Please answer YES or NO

YES

If YES please answer the questions below.

- b Please state the gross amount received from all fund-raising efforts.

£1,621,292

- c Does the charity make use of professional fund-raisers?

Please answer YES or NO

NO

- d Does the charity make use of professional fund-raising consultants?

Please answer YES or NO

NO

If the answer to either Questions 4c or 4d is YES:

- e How many professional fund-raisers/consultants did the charity make use of during the financial year?

NUMBER

NO

Fund-raising (continued)

- f Does the charity have a formal written agreement with each of the professional fund-raisers/consultants?

Please answer YES or NO

NONE

- g Are any of the professional fund-raisers/consultants paid on a commission basis?

Please answer YES or NO

NONE

Cash Balances

- a Please state the total amount of all cash on hand and held in bank or building society current account balances at the end of the charity's financial year.

£ 622,631

- b Please state the total amount of cash held on deposit (for example in a bank or building society) at the end of the charity's financial year.

£ NONE

Trustees and Trustee Benefits

- a Please state the number of trustees the charity had at the beginning and end of the financial year.

BEGINNING

8

END

7

- b Please give the total of the amounts paid or payable to or for the benefit of trustees, or people, or bodies connected with them. Please divide the amounts into the categories below and include both direct and indirect payments. Please include amounts paid or payable from the funds of any company or other institution connected with the charity, as well as payments from the charity's own funds

i) Payments of trustees' expenses.

£ 7500

- ii) Amounts paid or payable to trustees for any professional services provided to the charity or to any company or other institution connected with the charity.

£ 200

- iii) Amounts paid or payable to trustees for any other services provided to the charity or to any company or other institution connected with the charity.

£ NONE

iv) Loans made to trustees.

£ NONE

v) Other amounts paid or payable to trustees.

£ NONE

- c Has any property of the charity, or of any company or other institution connected with the charity, been purchased by a trustee or person or body connected with that trustee?

Please answer YES or NO

NO

- d At the end of the financial year was the charity or any company or other institution connected with it, owed money by any of the trustees, or by any person or body connected with any of the trustees?

Please answer YES or NO

NO

Cash and current account balances of the charity's regional offices and branches should be included here. Include here interest-bearing current account balances.

Cash on deposit includes any interest-bearing deposits of money (other than interest-bearing current account balances which should be shown under 5(a)).

If further information is needed, please see our leaflet CC11: Remuneration of Charity Trustees.

Do not include items purchased by trustees for the benefit of the charity (eg stationery, equipment, supplies) that are reimbursed by the charity at cost.

i) These are expenses which trustees incur in carrying out their duties as trustees and include for example travel, meals, accommodation and telephone costs.

ii) This includes any payments for consultancy and other professional services provided by trustees to the charity.

iii) This includes salary, wages, honoraria and other earnings in employment, as well as payments to trustees as contractors. It also includes pension provisions and compensation for loss of office.

iv) Other amounts include, the cost of purchasing trustee indemnity insurance, payments for the purchase of goods or property, etc.

The following are "connected with" a trustee: the trustee's spouse;

the trustee's children, parents, grandchildren, grandparents, brothers and sisters and their spouses;

the trustees of any private trust of which the beneficiaries or potential beneficiaries include the trustee or anyone mentioned in (i) or (ii);

business partners of the trustee or of anyone mentioned in (i), (ii) or (iii);

firms or businesses (not including those which are wholly owned by one or more charities) in which the trustee and anyone mentioned in (i) to (iv), taken together, has or have a substantial interest.

"Spouse includes someone living with another as their husband or wife.

Substantial interest means the ownership of at least one-fifth of the shares in the company or the ability to direct how at least one-fifth of the voting power in the company is exercised.

For the meaning of "connected company" please see the note to question 9. Other institutions will be connected with the charity in the same circumstances.

1040094

Trustees and Trustee Benefits (continued)

- e Have any services been made available by the charity, or any company or other institution connected with the charity, to a trustee, or to a person or body connected with a trustee?

Please tick the appropriate box

i) No services used by trustee or connected person/body.



ii) Services used generally by beneficiaries or members of the charity and used by a trustee, or connected person/body, as one of them



iii) Services used by a trustee or connected person/body otherwise than as one of the beneficiaries or members of the charity



Occupation of Functional Property

- 7 If any part of the functional property owned by the charity was not occupied by it please state who occupied that part of the property and whether or not they paid rent.

Occupied at full rent Occupied at reduced or nil rent

Another charity



Charity's clients or beneficiaries



Anyone else



Not occupied by anyone



Land and Buildings

- 8 a If the charity acquired any freehold or leasehold land or buildings from any of its trustees, or from people or bodies connected with any of its trustees, please state the total amount paid.

£ NONE

- b If the charity occupies any land or buildings belonging to any of its trustees, or to people or bodies connected with any of its trustees, please state the total amount paid in respect of that occupation.

£ NONE

Services includes the use of land and buildings and motor vehicles. Services made available generally to the beneficiaries of the charity includes the services provided to local inhabitants of a village hall or recreation ground charity

If a charity has allowed a trustee the residential use of property which it owns then the third box should be ticked

Functional property is land or buildings owned by the charity and used primarily in furtherance of its charitable objects. It does not include land or buildings used primarily for investment or fund-raising purposes

Owned includes ownership as tenant or lessee (ie leasing or renting land or buildings) as well as freehold ownership. But a charity which merely has a licence or permission to use property is not the owner of it. If a charity has regular use of a building or part of a building on say one day a week, it is probably a licensee. 'Primarily' means more than half of the total area being used, for more than half of the time available.

Occupied at full rent means that the total amount which is paid for the use of the land, under the agreement between the charity and the occupier, is the highest amount which the charity can reasonably obtain for that use, from any occupier. The amount which can reasonably be obtained may be affected by planning restrictions, or covenants in the charity's own title document which restrict the charity's freedom to use or let the property.

A trustee who occupies the functional property of the charity for his/her own benefit should never be treated as doing so as a client or beneficiary for the purposes of this section. The 'Anyone else' category should be used.

Please tick as many boxes as are needed to reflect the charity's circumstances.

If further information is needed, please see our leaflet CC33: Acquiring Land.

To identify people or bodies connected with trustees, please see the notes to question 6.

Please include rent or licence fee, any premium or capital payment and all other payments made under the tenant's covenants in the lease or under the terms of the licence, for example on repairs/improvements to the property etc

Dealings with Connected Companies or Connected Trading Companies

9 a Does the charity have any companies connected with it?

Please answer YES or NO

NO

If YES, is any connected company a connected trading company?

Please answer YES or NO

NONE

If YES please answer the questions below

b Please state the total cost of the charity's shares in its connected trading companies, as at the end of the financial year

£ NONE

c Has the Inland Revenue at any time been asked to confirm that any of these shares which were acquired on or after 12 June 1986 are qualifying investments?

Please answer YES or NO

NO

d Has the Inland Revenue accepted these shares as qualifying investments?

Please answer YES or NO

NO

e Give the total outstanding balance of loans owed to the charity by connected trading companies as at the end of the financial year (from the accounts).

£ NONE

f Has any money originally loaned to a connected trading company not been repaid, but has instead either been subscribed by the charity for the issue of new shares in that company (ie converted to share capital) or written off?

i) Converted to share capital?

Please answer YES or NO

NO

ii) Written off?

Please answer YES or NO

NO

iii) If the answer to either of these is YES, was the action approved by the trustees?

Please answer YES or NO

NO

g Please give details of total amounts due at the end of the financial year to the charity from connected trading companies excluding loans.

The total amounts due to the charity.

£ NONE

h Please give the following details about all the charity's connected trading companies.

i) Total turnover.

£ NONE

ii) Total profit or loss on ordinary activities before taxation. (Losses should be shown by placing figures in brackets).

£ NONE

iii) Total amounts transferred to the charity.

£ NONE

The company may be limited by shares or guarantee.

A "connected trading company" means any company which is connected with the charity but is not itself a charity. A company is connected with a charity if the charity:

- owns at least one-fifth of the shares in the company; or
- can direct how at least one-fifth of the voting power in the company is exercised; or
- can otherwise ensure that the affairs of the company are conducted in accordance with its wishes.

If further information is needed, please see our leaflet CC35: Charities and Trading.

The "total cost" means everything spent by the charity either in purchasing shares in its connected trading companies, or in making subscriptions for share capital in its connected trading companies

A qualifying investment in a connected trading company is an investment which the Inland Revenue is satisfied is made for the benefit of the charity and not for the avoidance of tax and is defined in part 1 of Schedule 20 of the Income and Corporation Taxes Act 1988.

Where provision has been made in the accounts of the charity for the partial or total non-repayment of a loan which the charity has made, the loan should be treated as "written off"

This could include amounts owing to the charity for goods and services provided, or service charges, or as a result of charging expenses of the company to the charity

Please give the overall totals of:

the turnover; and

profit or loss

of all the trading companies which are connected with the charity for the last complete financial year ending on or before the last day of the financial year of the charity

For present purposes profit or loss on ordinary activities should be calculated before deducting any gifts made to the charity (eg under deed of covenant or Gift Aid) but after deducting any payments of interest on loans from the charity.

By deed of covenant, Gift Aid, dividend or any other means. Transfers by deed of covenant or Gift Aid should be treated as having been made by the company in the financial year in which they are treated for tax purposes as having been made

End of Section 1. If neither the charity's gross income nor its total expenditure was over £250,000 in the financial year, then please ignore Section 2, but complete the declaration on Page 8.

Section 2

Please note that 'Y' or 'N' can be used as acceptable answers.

The questions in this section are only for charities having a gross income or total expenditure in the financial year in excess of £250,000.

Details of Expenditure

- 10 Please show the breakdown of the total expenditure figure given in the answer to Question 2 Section 1:

Expenditure directly relating to the objects of the charity.

£ 1,423,776

Expenditure on fund-raising and publicity.

£ 60,411

Expenditure on the cost of managing and administering the charity.

£ 75,413

Information on Assets and Funds

- 11 a Please give the following details from the charity's balance sheet.

Total Endowment Funds (A)

£ NONE

Total Restricted Income Funds (B)

£ NONE

Total Unrestricted Funds (C)

£ 740,377

Total of All Funds (D=A+B+C)

£ 740,377

- b Please break down the TOTAL Funds (D above) into the following categories of asset and liability:

Intangible Fixed Assets (E)

£ NONE

Tangible Fixed Assets for use by the Charity (F)

£ 8,994

Investments (G)

£ 109,652

Total Current Assets (H)

£ 630,631

Total Assets (I=E+F+G+H)

£ 749,277

Short Term Liabilities (J)

£ 5,900

Long Term Liabilities (K)

£ NONE

Total Net Assets (L=I-K=D)

£ 740,377

Please copy these figures from the charity's accounts. If you require further guidance on what items of expenditure to include under these headings please refer to The Statement of Recommended Practice on Accounting by Charities paragraphs 92 and 93.

Endowment funds are funds which the trustees are legally required to invest or to keep and use for the charity's purposes. These funds may be permanent endowment where the trustees can spend only the income which the funds produce, or expendable endowment where the trustees are entitled to convert the entire fund or any part of it into income and then spend it.

Permanent endowment means property which cannot be spent as income, because:

- the terms of the charity's governing document prevent that property being spent; or
- the person who gave the property to the charity directed that it should be kept for use by the charity, or that it should be invested to produce an income for the charity.

Restricted income funds are funds which ought to be spent within a reasonable time of receipt, but only for a particular purpose within the wider purposes of the charity.

Unrestricted funds are all other funds, which ought to be spent within a reasonable time of receipt, but may be spent for any purposes of the charity, at the discretion of the trustees.

If further information is needed, please see our leaflet CC19: Charities' Reserves.

Please add E, F, G & H together to give item I (total assets).

If the charity's balance sheet includes a provision for liabilities and charges, please divide this between items J and K, according to whether these are short term or long term liabilities.

Contingent Liabilities

- 12 Please extract from the accounts the total amount or estimated amount of any contingent liabilities of the charity at the end of the financial year:

£ NONE

Investments and Loans

- 13a Does the charity at the end of the financial year have any investments, or outstanding loans it has made by way of investment? (Please exclude investments in, and loans to, connected trading companies)

Please answer YES or NO

YES

If YES please answer the questions below

- b What was the approximate market value of all the charity's investment properties?

£ 115,000

- c What was the approximate market value of the charity's financial investment portfolio?

£ NONE

- d What was the approximate market value of the charity's largest single holding in its financial investment portfolio?

£ NONE

Please give details as at the end of the financial year.

- e What was the charity's gross investment income for the year?

£ 9000

- f If, at the end of the financial year, the financial investment portfolio included shares in, or loans to, unlisted companies or loans to individuals or unincorporated bodies, what was the total amount paid or subscribed for such shares, and/or loaned as at the end of the financial year?

£ NONE

- g At the end of the financial year did the charity have any outstanding contractual rights or obligations under derivatives?

Please answer YES or NO

NO

Management of Investments

- 14a Does the charity use the services of an independent investment advisor?

Please answer YES or NO

NO

- b Do the trustees delegate their investment powers to an investment manager?

Please answer YES or NO

NO

If YES please answer the questions below

- c Is the investment manager paid by commission?

Please answer YES or NO

NO

- d Is the investment manager paid by a fee?

Please answer YES or NO

NO

- e How much was the investment manager paid during the year?

£ NONE

Please complete the Declaration overleaf.

A liability is contingent if it is subject to a condition that exists at the balance sheet date where the outcome is dependent on one or more uncertain future events.

If further information is needed, please see our leaflet CC14: Investment of Charitable Funds: Basic Principles.

For the meaning of "connected trading company" see the notes to question 9.

Investments means any assets held which are intended to produce continuing benefit to the charity in the form of income or capital gains. This includes land and buildings, government or other securities, loans, common investment funds, unit trusts, shares in a public or private company and bank or building society deposit accounts. Investments may also include cash held temporarily as part of an investment portfolio.

Investment properties means land and buildings other than functional property (see question 7).

Financial investment portfolio means investments in government or other securities, loans, common investment funds, unit trusts, shares in a public or private company. Do not include bank or building society deposit accounts which have already been reported under question 5b.

Give the total income from all investments defined above (including deposit accounts) for all funds: endowment, restricted and unrestricted.

This question relates to loans made as investments and not to loans made in furtherance of the objects of the charity. Unlisted companies are companies the shares of which are not listed on a stock exchange which is recognised for the purposes of section 841 Income and Corporation Taxes Act 1988. Unincorporated bodies include trusts, associations and partnerships.

Derivatives are financial instruments the value of which is dependent on the price movements in one or more underlying investment assets or in interest rates. Examples include options, futures and interest rate swaps. Units in common investment funds and unit trusts are not derivatives and should not be included in this section.

This means giving an investment manager authority to make and change investments on behalf of the charity without asking the charity trustees even when changes are reported later.

Checklist

You must complete this return if the charity is registered with us and either the gross income or the total expenditure of the charity is over £10,000 in the financial year covered by this return. You are also required to send us copies of the trustees' annual report and the accounts of the charity. It would be helpful if you would please enclose them with this return if you have not already sent them to us. Please tick the relevant boxes to show which you are sending to us with this return.

Trustees Annual Report	Not enclosed	<input type="checkbox"/>	Brief Report (income £100,000 or less)	<input type="checkbox"/>	Full Report	<input checked="" type="checkbox"/>		
	Already sent	<input type="checkbox"/>		<input type="checkbox"/>				
Annual Accounts	Not enclosed	<input type="checkbox"/>	Receipts and Payments Accounts and Statement of Assets and Liabilities	<input type="checkbox"/>	Statement of Financial Activities and Balance Sheet	<input checked="" type="checkbox"/>	Other Form of Account	<input type="checkbox"/>
	Already sent	<input type="checkbox"/>		<input type="checkbox"/>				
Examination Report	Not enclosed	<input type="checkbox"/>	Independent Examiner	<input type="checkbox"/>	Audit Exemption Report	<input type="checkbox"/>	Audit Report	<input checked="" type="checkbox"/>
	Already sent	<input type="checkbox"/>		<input type="checkbox"/>				
	No Report required	<input type="checkbox"/>		<input type="checkbox"/>				

Declaration

We need accurate information to do our work. Please take care to check that the information you are giving us is correct.

The completion notes on Page 1 of this return show whether and when charity trustees are required to complete this form, and send it to us. Trustees who are required to do so but who, without good reason, persistently refuse to send a completed form to us, or who, in the form, give answers which they know or suspect are untrue or misleading, may be committing an offence.

I certify that the information given in this form is correct to the best of my knowledge and has been brought to the attention of all the trustees.

Signed, by one trustee on behalf of all trustees

Date

Title and Full Name
(Please use BLOCK CAPITALS)

TITLE

FULL NAME

ADDRESS

POSTCODE

Please give the name and telephone number of someone we can contact if we need to clarify any of your answers.

CONTACT NAME MR. J. GUNBIL DAYTIME TELEPHONE NUMBER 020 8450 8002

For office use only:

A	<input type="text"/>
C	<input type="text"/>
E	<input type="text"/>
G	<input type="text"/>
I	<input type="text"/>

B	<input type="text"/>
D	<input type="text"/>
F	<input type="text"/>
H	<input type="text"/>
J	<input type="text"/>



Registered Charities - Database Update 1999/00

Charity Database Division, PO Box 241, Liverpool L69 3XQ
Helpline 0151-703-1515 (5 lines) Fax 0151-703-1564
Internet Address: <http://www.charity-commission.gov.uk>

1040094

Completion Notes

- 1 Trustees of all registered charities have a legal duty to notify us of any changes in the particulars entered in the Register. Completing this Database Update form is a convenient way of doing this.

This form is **NOT** part of the charity's Annual Return AR8 and only charities with either gross income or total expenditure over £10,000 in their financial year are obliged to complete an AR8. **However, unless you complete this Database Update form showing details of your gross income etc we will not know whether your charity is over the £10,000 threshold.** If you don't complete this form you may receive reminders.
- 2 This form contains an extract of the particulars of your charity that we hold on the register of charities. Please check these particulars carefully.
 - If all the preprinted information is still correct you need only complete the Gross Income and Total Expenditure boxes on page 2, and the declaration on this page.
 - If there are changes needed please indicate these in the space(s) provided and then sign the declaration.When you have done this, please return the form to us. If you also need to complete an annual return, it would be easier for us if you returned both documents at the same time, together with a copy of the relevant annual accounts and the trustees' annual report.
- 3 Although most of the particulars on the Register are open to public inspection, there are some that are available only to our staff. Some key registration particulars which are open to public inspection are also available on our internet site address, as above.
- 4 Charities can seek a dispensation to exclude the Principal Address and/or Trustees Names from their annual report. If a dispensation has been given we will also exclude this information from the Public Register and our internet site. If you would like more details please contact our Helpline on the telephone number above.
- 5 Space is provided for changing the details of the charity correspondent and of trustees. If you are changing a post code, telephone number or name only, please show the change in the space(s) provided. For changes to any other part of the address please confirm the address again in full.
- 6 Mae'r ffurflen hon ar gael yn Saesneg neu yn Gymraeg. Os ydych chi derbyn fersiwn Saesneg ond byddai'n well gennych gwblhau'r ffurflen yn Gymraeg, cysylltwch â'n Llinell Gymorth a bydd fersiwn Cymraeg yn cael ei anfon atoch. (This form is available in English or Welsh. If you have received an English version but would prefer to complete the form in Welsh, please contact our Helpline and a Welsh version will be sent to you.)
- 7 If you require any help at all in completing this form please do not hesitate to contact our Helpline on 0151-703-1515.

ALL REGISTERED CHARITIES SHOULD COMPLETE THIS FORM.

Declaration

I certify that the information given in this form is correct to the best of my knowledge.

SIGNED DATE
FULL NAME TEL NO:

Reminder! Have you entered the Gross Income & Total Expenditure figures on Page 2?

Main Charity Name/Number & Company Registration Number

Main Charity Name/Number - Our records show your Main Charity name is as shown here. If you have recently changed your name, please enter the new name in the box below. Also, if you haven't already done so, please send a copy of the resolution or other document by which the name was changed.

1040094

PALESTINIANS RELIEF AND DEVELOPMENT FUND

Company Registration Number 3503517

If the number is wrong or missing please enter the correct details here:

If a number is shown but the charity is not a Registered Company please tick this box



LDN

AD/0006031/1-2



1040094.

Financial Information - ALL REGISTERED CHARITIES SHOULD COMPLETE THIS PAGE

This form should be completed for the Financial Year Ending between 28 February 1999 and 27 February 2000.

Financial Year Start 01/01/1999

If either is wrong, please enter the correct details here:

01 01 1999

Financial Year End 31/12/1999

31 12 1999

Our records show your next financial year will end on:-

If this is wrong, please enter the correct details here:

Financial Year End (Day & Month) 31/12

31 12

We cannot process your form unless you provide details of your Gross Income & Total Expenditure, therefore please provide the following information

Gross Income and Total Expenditure for the above Financial Year

Details of how to calculate these figures are provided on the reverse of the covering letter that accompanied this form.

Gross Income (to nearest £) £1,630,292

Total Expenditure (to nearest £) £1,559,100

Charity's Working Names

Charity's unofficial names (if it has any) -

Some charities like to use a working name as well as their main name. You can enter a working name here (if you have one) and this may help the public to trace your charity on our public register.

Please cross out any name that is no longer used or requires amendment. Please write in details of amendments beside the relevant preprinted item and add any new names below the preprinted details.

1. INTERPAL

Charity Contact Details

Charities which have been granted dispensation from disclosure of their principal address should NOT complete this section, but notify us separately of any change in either their principal address or the name and address which appears on the Public Register. For more detailed advice on how to request a dispensation please contact our Helpline on 0151-703-1515.

THE INFORMATION IN THIS SECTION WILL BE OPEN TO PUBLIC INSPECTION

This is the postal address that we and the public will use to contact the charity.

This address should be the charity's principal address. If the charity is a registered company this will be the registered address.

J QUNDIL

P O Box 3333

London

NW6 1RW

Tel No: 0181 450 8002

In other cases it can be the charity office or the name and address of an individual.

Please see completion note 5 if you are changing part of the address.

If the details are incorrect please enter the correct details here:

FULL NAME

ADDRESS

POST CODE

TEL NO

Charity's Web Site/E-mail Address

WWW.INTERPOL.ORG/INFO@INTERPOL.ORG

If this is wrong, please enter the correct details here:

WWW.INTERPAL.ORG/info@interpal

Trustee Continuation Sheet

Important - please read the guidance notes on page 3 of the coloured form BEFORE you complete any details on this Continuation Sheet.

Page 3 will display details of 5 trustees only. For ease of processing you will need to check all continuation sheets for details of other trustees that we are aware of.

Amendments	No longer trustee
NAME	<input type="checkbox"/>
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH
Amendments	No longer trustee
NAME	<input type="checkbox"/>
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH
Amendments	No longer trustee
NAME	<input type="checkbox"/>
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH
Amendments	No longer trustee
NAME	<input type="checkbox"/>
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH
Amendments	No longer trustee
NAME	<input type="checkbox"/>
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

1040094

Important - please read the guidance notes on page 3 of the coloured form BEFORE you complete any details on this Continuation Sheet.

Page 3 will display details of 5 trustees only. For ease of processing you will need to check all continuation sheets for details of other trustees that we are aware of.

6 MR ISMAIL Y GINWALLA
3 Stratton Road
Gloucester

GL1 4HD
16/02/1961

01452 396020

Amendments

NAME	
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

7 MR MAHFOUZH SAFIEE
89 Denzil Road
London

NW10 2UY
02/02/1965

0181 830 7271

Amendments

NAME	
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

8 MR SHAHAN IZZAT HUSSAIN
13 St. Winefride's Avenue
London

E12 6HQ
16/07/1934

0181 553 9827

Amendments

NAME	
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

Amendments

NAME	
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

Amendments

NAME	
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

1040094

Trustees - ALL REGISTERED CHARITIES SHOULD CHECK ANY PREPRINTED DETAILS SHOWN ON THIS PAGE

Below are details of the trustees we currently know about. We only need details for a maximum of 50 trustees, so continuation sheets may be enclosed. Please check the list(s) and if any amendment is needed to a name, post code or telephone number just complete the relevant amendment box. For changes to any other part of the address please write the address in full again. If a trustee is no longer acting tick the "No longer trustee" box.

If we have omitted the names of any trustees who have been acting for some time don't make any entries on this page, please enter their details on page 4 (we will then enter these onto our database). Also if we show more than one entry for the same trustee please tick the "No longer trustee" box by the entry you want us to delete. (It is possible that the same trustee could be listed twice due to a variation in the initials used.)

Please use page 4 to advise us of the details of any new trustees.

The details provided should apply to the trustees in post at the date you complete this form. We will not make available to the public the addresses or dates of birth of any trustees. We need the date of birth for identification purposes.

1 DR ABDEL KARIM VANIA
47 Melbourne Road
Leicester

LE2 0GT

0116 255 9858

Amendments

NAME

ADDRESS

POSTCODE

TEL NO

DATE OF BIRTH

No long trustee
☒

2 DR ISSAM M SHAKER
41 Vivian Avenue
Wembley
Middlesex

HA9 6RQ

0802 736394

Amendments

NAME

ADDRESS

POSTCODE

TEL NO

DATE OF BIRTH

No long trustee
☒

3 MR ESSAM Y MUSTAFA
130 Glengall Road
London

NW6 7HH

0956 413455

17/11/1955

Amendments

NAME

ADDRESS 90 P.O. Box 3333

LONDON

POSTCODE NW6 1RW

TEL NO

DATE OF BIRTH

No long trustee
☐

4 MR GHASSAN FAOUR
2 Grovelands Road
London

N13 4RH

0370 828017

Amendments

NAME

ADDRESS

POSTCODE

TEL NO

DATE OF BIRTH

No long trustee
☐

5 MR IBRAHIM BRIAN HEWITT
55 Henley Road
Leicester

LE3 9RD

10/07/1956

Amendments

NAME

ADDRESS

POSTCODE

TEL NO

DATE OF BIRTH

No long trustee
☐

1040094

New Trustees - ALL REGISTERED CHARITIES SHOULD ENTER ANY NEW TRUSTEE DETAILS HERE

Please enter the details here for any NEW TRUSTEES or any trustees we omitted from our list on page 3. Please do not use this sheet for amendments or deletions. If there is insufficient space, please photocopy this sheet and attach any additional sheets to this form.

NAME	
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

NAME	
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

NAME	
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

NAME	
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

NAME	
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

NAME	
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

NAME	
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

NAME	
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

NAME	
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

NAME	
ADDRESS	
	POSTCODE
TEL NO	DATE OF BIRTH

1040094

**INTERPAL
Annual Report
2000**

Table of Contents:

	Page No:
Legal & Administrative Information	2
Section I:	
Trustees' Annual Report 2000	
<i>INTERPAL Activities & Achievements in the Year 2000</i>	4
<i>Comments on the Financial Report</i>	6
<i>Statement of Financial Activity</i>	7
<i>Special Note: Restricted & Unrestricted Funds</i>	7
<i>Conclusion</i>	8
Section II:	
Audited Financial Statements 2000	
<i>Contents</i>	9
<i>General Information</i>	10
<i>Auditors' Report</i>	11
<i>Statement of Financial Activities</i>	12
<i>Balance Sheet</i>	13
<i>Notes to the Accounts</i>	14
<i>Detailed Statement of Financial Activities</i>	17
Section III:	
Sample of 2000 Publicity Material	18
<i>Qurbani 2000 Appeal</i>	
<i>School Kit 2000 Appeal</i>	
<i>Ramadan 2000 Appeal</i>	
<i>Al-Aqsa Emergency Appeal</i>	
<i>INTERPAL Update Report (November 2000)</i>	
<i>INTERPAL Special Update Report (February 2001)</i>	

INTERPAL Trustees' Annual Report 2000.



Page 1 of 8

LEGAL & ADMINISTRATIVE INFORMATION:

Palestinians Relief & Development Fund also known as INTERPAL

CHARITY REGISTRATION

- NUMBER 1040094 (constituted by Charitable Trust governed by Trust Deed)
- DATE LAUNCHED 5th November 1994
- ADDRESS: P. O. BOX 333, London, NW6 1RW, England
- TELEPHONE NO: 020-8450 8002
- FAX NO: 020-8450 8004
- E-MAIL: info@interpal.org
- WEBSITE: www.interpal.org

INTERPAL BOARD OF TRUSTEES

- **METHOD OF TRUSTEE APPOINTMENT/ELECTION** The Trust Deed provides that, "Every future Trustee shall be appointed by a Resolution of the Trustees passed at a special meeting called by the Chairman or any two Trustees upon not less than twenty-one days' notice being given to the other Trustees of the appointment of a new Trustee," (Article E).
- **DETAILS OF SPECIFIC INVESTMENT POWERS** The Trust Deed provides that the Trustees have the power "to permit any investments comprised in the Trust Fund to be held in the name of any Clearing Bank, and Trust Corporation or any Stock Exchange (or any subsidiary of such a stock Broking Company) as nominee for the Trustees and to pay any such nominee reasonable and proper remuneration for acting as such," Article D (xviii).
- **TRUSTEES** Mr. Ibrahim Brian Hewitt (Chairman), Mr. Essam Yousef Mustafa (Vice-Chairman & Managing Trustee), Mr. Shahan Izzat Husain (co-Vice-Chair), Mr. Ismail Yusuf Ginwalla, Mr. Mahfuzh Safiee, Mr. Ghassan Faour and Dr. Azzam Tamimi (appointed in December 2000).

WHOM TO CONTACT

- a) Chairman: Mr. Ibrahim Brian Hewitt
- b) Vice-Chairman & Managing Trustee: Mr. Essam Yousef Mustafa

PRIMARY AREAS OF OPERATION

- a) Palestine (the West Bank and the Gaza Strip)
- b) Refugee Camps in Jordan and Lebanon

THE MAIN AREAS OF INTERPAL'S WORK

- a) Humanitarian Aid
- b) Education
- c) Community Development
- d) Health

BANKERS

NatWest Bank Plc.
Finsbury Park Branch
Sort code: 60-08-22
Address: 298 Seven Sisters Road, London, N4 2AF

INTERPAL Trustees' Annual Report 2000.



INTERPAL
المنشقة الفلسطينية للاغاثة والتنمية
HELPING PALESTINIANS IN NEED
REGISTERED CHARITY NUMBER 1040094

Page 2 of 8

AUDITORS

M. Yunis and Co., Chartered Accountants-Registered Auditors
Address: 320A Romford Road, London, E7 8BD

INTERPAL AIMS & OBJECTIVES

INTERPAL was founded as a Charitable Trust governed by a Trust Deed to aid, assist, guide and comfort poor and needy Palestinians in the West Bank and Gaza Strip, Jordan and Lebanon. Its aim is also to relieve the hardship of these distressed persons, to provide them with protection from the elements, to promote good health within their community, to assist them in the advancement of education and to provide social welfare facilities and services in co-operation with the other charitable organisations (Article C of the Trust Deed).

THE ORGANISATIONAL STRUCTURE

The INTERPAL Board of Trustees bears the responsibility of formulating and implementing the Charity's policies. It oversees the overall management and the day-to-day running of the organisation. In addition to powers such as providing grants to help alleviate poverty, the Trustees have the power to establish and support development and rehabilitation projects, encourage employment and self-dependency, and construct, maintain and support holy places. The Board of Trustees must always have a minimum of five and a maximum of eleven members at any one time. Every future Trustee shall be appointed by a Resolution of the Trustees passed at a special meeting called by the Chairman or any two Trustees upon not less than twenty-one days' notice being given to the other Trustees of the appointment of a new Trustee.

TOWARDS ACHIEVING STATED OBJECTIVES

INTERPAL focuses on four main areas of need within which many programmes and projects are established and supported in co-operation with the many charitable organisations registered with the government authorities in the main areas of operation. More than 80% of the funds distributed by INTERPAL have been used for strictly humanitarian purposes. This is a reflection of the needs of the Palestinians and the nature of the donations received by INTERPAL. Since the provision of educational, health and development facilities are now the responsibility of the relevant state authorities in Palestine, INTERPAL has more of a secondary than a primary care role. In fact, INTERPAL views the current situation as one requiring relief and assistance for a growing population faced with abject poverty and deprivation. The four main areas mentioned above and the five-year average percentage of income allocated to each are listed below:

- a) Humanitarian Aid (83%)
- b) Education (7%)
- c) Community Development including Maintenance of Holy Sites (6%)
- d) Health (4%)

The mainstays of INTERPAL's fundraising work are its four major programmes. These are the Ramadan and Qurbani Campaigns, and the School Kit/Palestine Education Project that are launched annually; and the ongoing Sponsor an Orphan and Sponsor a Family Programmes. Additionally, INTERPAL sends delegations to Palestine as a means to ensure transparency and accountability of its operations, and launches special appeals as and when the needs arise.

INTERPAL Trustees' Annual Report 2000.



INTERPAL
المنشور الفلسطيني في 2004 والتربية
HELPING PALESTINIANS IN NEED

Page 3 of 8

SECTION I

TRUSTEES' REPORT:

Palestinians Relief & Development Fund also known as INTERPAL

INTERPAL ACTIVITIES & ACHIEVEMENTS IN THE YEAR 2000

BACKGROUND

As the peace process stumbles on, and politicians continue to play their games, the victims of the root cause of the inappropriately named "Palestinian Problem" continue to suffer. With no genuine solution in sight, the task remains for organisations like INTERPAL to seek to alleviate the suffering of Palestinians in exile; refugees in their own land as well as neighbouring countries.

Whatever happens in the political arena – upon which we can have little or no influence – the human tragedy that engulfs generation after generation of Palestinians demands our attention. The year 2000 has seen the Palestinians suffer one of the most difficult times in their turbulent history. The demonstrations against the September visit by Ariel Sharon to the Al-Aqsa Mosque compound, and the subsequent disproportionate response of the Israeli military, has left many Palestinians dead or injured. The military blockades that ensued prevented over 120,000 people from travelling to their jobs across the Green Line. Added to this, areas under Palestinian Authority control have been divided into zones, and each zone is closed to its neighbours.

No family has been left untouched by the troubles. Many have to tend to loved ones injured or permanently disabled since September 2000. Countless families are facing poverty for the first time as thousands upon thousands of income earners have been killed, injured, imprisoned or prevented from travelling to work. The Red Cross reports that the number of food parcels distributed since the troubles started is the highest since 1943. Not only does poverty affect more than 60% of the Palestinian population, the level of misery is now beyond imagination.

Malnutrition is rife; unemployment is rising as never before; sanitation is frequently non-existent and supplies of fresh water are becoming a source of real concern. Serious shortages of educational and medical resources and severe overcrowding add to Palestinian misery beyond the comprehension of most of us. As long as the people of Palestine are in this situation, the temptation to leave their ancestral lands becomes harder and harder to resist. The scale of the problem is staggering but it must be tackled, head-on. It is our duty, as a charity solely committed to providing relief and development opportunities for Palestinians in need, to do so to the best of our ability within the laws and regulations of Britain that govern charities like INTERPAL.

INTERPAL operates on many levels, offering humanitarian aid and support for health, education and community development projects. Our aim has been to concentrate this effort to ease real and unimaginable suffering. Governments can only do so much; public appeals on the scale of those made in response to disasters like the floods in Mozambique, or famine in the Horn of Africa, demonstrate that official money has to be

INTERPAL Trustees' Annual Report 2000.



INTERPAL
الجمعية الفلسطينية للتطوير والرفاهية
PALESTINIAN RELIEF & DEVELOPMENT FUND

Page 4 of 8

supplemented by private donations if effective change is to be made. INTERPAL relies on donations large and small to develop its programme of assistance for needy Palestinians. Without a solid foundation of donations from our supporters, INTERPAL would have to curtail its operations at a time when they are needed more than ever before.

INTERPAL EFFORTS

INTERPAL continued in 2000 with its mainstay programmes, such as the Ramadan and Qurbani Campaigns, and the School Kit Project, Sponsor an Orphan and Sponsor a Family Programmes. An overall report was published in the November 2000 INTERPAL *Update* (attached). The year 2000 was unique in that the Ramadan 1999 Campaign ended in January 2000 when some of the funds were distributed, and the Ramadan 2000 Campaign ended in December 2000. It should be noted that the Ramadan Campaign reported in this *Update* is the former.

Following the events of September 2000, INTERPAL launched the Al-Aqsa Emergency Appeal (to provide emergency aid and relief) in conjunction with the INTERPAL Al-Dura Fund Appeal (named after 12 year old Muhammad Al-Dura who was killed in view of the world's media), to help injured children and their families pay for medical and rehabilitation costs.

INTERPAL stepped up its efforts to provide emergency medical aid and humanitarian assistance towards the latter half of the year 2000. The special appeals above coincided with the Ramadan 2000 Campaign, and in order to inform our supporters of how the money raised during this period was distributed, we prepared a *Special Update Report* in February 2001 (attached).

INTERPAL ACHIEVEMENTS

Events post-September 2000 had a real impact on the work of INTERPAL towards the end of the year. Due to our focus as a "single issue charity" and our good relations with our partner organisations inside Palestine, we were constantly in touch with day-to-day events and how they impacted on the poor and needy during that time. As a result, we were able to respond by releasing funds for emergency aid immediately. In addition, our commitment to co-operation and co-ordination with other charitable organisations both inside and outside our areas of operation enabled us to raise and distribute a substantial amount of aid to our beneficiaries. This was mainly due to the fact that we avoided duplication and thus increased efficiency while decreasing costs.

The extensive news coverage of events in Palestine also impacted on our work in that more and more people became aware of the situation and of the existence of INTERPAL. Many came forward to help by volunteering their time and energy, by giving donations and/or by donating the proceeds of fundraising activities that they organised in aid of Palestinians in need. Needless to say, volunteers played a significant role in our fundraising strategy during the year 2000, especially when it came to making collections and organising their own fundraising events in the community.

INTERPAL Trustees' Annual Report 2000.

Page 5 of 8



INTERPAL continued supporting charitable projects in Jordan and Lebanon during the year 2000. Due to the crisis post-September 2000, much of the aid for Palestinians in need seemed to be diverted to Palestine due to donor wishes. Although the focus of INTERPAL's work is in the West Bank and Gaza, we are no less committed to helping Palestinian refugees in Jordan and Lebanon who are often forgotten and neglected. We are pleased to report that our aid to Jordan increased by about 28% and by 13% to Lebanon compared to 1999.

Whereas 1999 saw a drop in INTERPAL's total income due to several factors including events in other parts of the Muslim world which may have prompted our donors to divert their contributions to other causes, many of our existing donors chose to contribute solely to INTERPAL in the year 2000. This is apart from new donors who came forward after hearing about INTERPAL for the first time. It is therefore fair to say that the year 2000 has been a very successful year both in terms of the amount raised and the number of projects we were able to support as a result.

COMMENTS ON THE FINANCIAL REPORT

INCOMING RESOURCES

INTERPAL's total Incoming Resources for the year 2000 amounted to over £3 million (£3,301,864). This two-fold increase on 1999's income is due to 3 factors:

- a) two Ramadan Campaigns ended in the same year (one in January 2000 and the other in December 2000);
- b) the crisis in Palestine after September 2000 which prompted us to launch the Al-Aqsa Emergency Appeal, coupled with the fact there was no other major crisis in any other part of the Muslim world; and
- c) the result of INTERPAL's commitment to co-operate and co-ordinate with other charitable organisations, for example the signing of a co-operation agreement with the World Assembly of Muslim Youth, Saudi Arabia for INTERPAL to manage and administer their sponsorship of Palestinian orphans.

DISTRIBUTION OF FUNDS

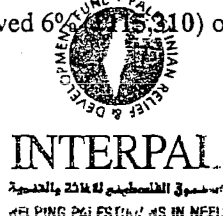
Over £2 million (£2,079,028) of the Incoming Resources was expended in the year 2000. Of this, £1,938,646 (93%) was spent on direct charitable projects; £57,382 (3%) represents the figure for fundraising expenditure, and £83,000 (4%) was spent on management and administration.

ANALYSIS OF DIRECT CHARITABLE EXPENDITURE (£1,938,646)

The bulk of the direct charitable expenditure amounting to £1,622,070 (84%) went to Humanitarian Aid including the Ramadan Food Parcel Project, the Qurbani Meat Project and the Sponsor an Orphan Programme. The total spent on the Sponsor an Orphan Programme doubled due to the co-operation agreement with the World Assembly of Muslim Youth, Saudi Arabia (see above). Educational projects, including the provision of school kits, assistance for poor and needy students and the building and maintenance of educational establishments received 6% (£115,310) of the funds.

INTERPAL Trustees' Annual Report 2000.

Page 6 of 8



A total of 3% (£69,061) was spent on Community Development Projects including small-scale projects, Qur'an *Tahfiz* Centres and support for local charitable organisations' running costs. Health and Medical Projects including the purchase of medical equipment and supplies and the treatment costs of needy patients received £132,205 (7%) of the funds. Of this, £63,000 was a donation received from abroad which was specifically earmarked for the treatment of a Palestinian cancer patient at the Royal Marsden NHS Trust, London. In all, 79% of the total distributed funds went to the West Bank and the Gaza Strip, 9% to Lebanon, 8% to Jordan and 4% to the United Kingdom.

FUNDS CARRIED FORWARD

It is INTERPAL's policy to retain some funds for distribution the following year. The figure for the year 2000 is £1,222,836. This figure is significantly higher compared to 1999 because the funds were raised towards the end of the year during our major campaign (i.e. Ramadan 2000 Campaign), which coincided with the special appeal we launched (i.e. the Al-Aqsa Emergency Appeal). These funds were actually distributed within the first quarter of 2001.

STATEMENT OF FINANCIAL ACTIVITY

INTERPAL has taken every effort to present its accounts in accordance with the Charities' Statement of Recommended Accounting Practice (SORP). It is hoped that with the Special Note included in the Audited Accounts this will comply with the requirements.

SPECIAL NOTE: Restricted and Unrestricted Funds

INTERPAL's Incoming Resources are best described as Unrestricted funds expendable at the discretion of the Trustees in furtherance of the objects of the charity. Although INTERPAL has set up a number of separate sub-bank accounts as well as a system to record the specifics of the donations received, this is totally for administrative purposes in order to facilitate the proper dispensation of the moral as well as the religious obligations of the Trust.

INTERPAL's donor-base is founded primarily (but not exclusively) in the Muslim community. Hence, approximately 80% of donation specifications are usually religious in nature i.e. *Zakat* and *Fitrana* (poor-due), *Sadaqah* (alms for the poor and needy), *Lillah* (contributions for the sake of Allah SWT) and *Qurbani* (donations for the purchase and sacrifice of livestock where the meat is to be distributed to the poor).

In the case of *Fitrana* and *Qurbani* classifications, the Trustees are obliged to make arrangements to dispense with the funds in accordance with the religious requirement of time restrictions i.e.: *Fitrana* must reach the needy before the end of Ramadan, and the *Qurbanis* must be performed within the specified 4 days of 'Eidul-Adha.

INTERPAL Trustees' Annual Report 2000.



Page 7 of 8

INTERPAL's Expenditure of Funds is, however, restricted to the designated charitable projects. The Beneficiaries, all bona fide charity organisations, are obliged to expend the funds strictly in accordance with the purpose they are allocated. INTERPAL has a well-established control procedure to ensure full accountability to its donors.

CONCLUSION

The year 2000 has been significant in more ways than one for INTERPAL. As the crisis in Palestine intensified the need of the poor and needy grew to unimaginable levels. Due to the undivided media attention from September onwards as no other world crisis was taking place at the time, the level of awareness increased greatly. As a result, the response from the public was overwhelming. INTERPAL's policy and objective to co-operate and co-ordinate with other charitable organisations also bore fruit. This is best illustrated by the significant increase in funds received and distributed with regard to the Sponsor an Orphan Programme.

INTERPAL is greatly indebted to all its donors for their practical and moral support throughout 2000. The Charity is overwhelmed by their trust in the organisation and would like to express its sincere appreciation of their generosity. The Trustees would also like to note their appreciation of the hard work and dedication of INTERPAL's staff and volunteers.

Approved by the Board of Trustees.

Signed on behalf of the Board;



ESSM
INTERPAL
الصدوق الفلسطيني للإغاثة والتنمية
HELPING PALESTINIANS IN NEED
REGISTERED CHARITY NUMBER 1040094

Essam Y. Mustafa

Vice-Chairman and Managing Trustee

Date:9.01.02.....

SECTION II

PALESTINIAN RELIEF AND DEVELOPMENT FUND

INTERPAL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2000

CONTENTS	PAGE
General Information	1
Auditors' Report	2
Statement of Financial Activities	3
Balance Sheet	4
Notes to the Financial Statements	5 - 7



INTERPAL

المنشور الفلسطيني للاغاثة والتنمية

HELPING PALESTINIANS IN NEED

REGISTERED CHARITY NUMBER 1040094

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL
FOR THE YEAR ENDED 31ST DECEMBER 2000

GENERAL INFORMATION

REGISTERED CHARITY

Charity Registration Number : 1040094

BOARD OF TRUSTEES

Mr. E.Y Mustafa
Mr. M. Safiee
Mr. G. Faour
Mr. I. Ginwala
Mr. I.B. Hewitt
Mr. S.I. Husain
Dr. A.Al-Tamimi

BANKERS

National Westminster Bank Plc
286 Seven Sisters Road
Finsbury Park
London
N4 2BW

AUDITORS

M. Yunus & Co.
Chartered Accountants
Registered Auditors
320a Romford Road
London E7 8BD



AUDITORS' REPORT TO THE TRUSTEES OF
PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL
FOR THE YEAR ENDED 31ST DECEMBER 2000

We have audited the attached financial statements which have been prepared under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF EXECUTIVE COMMITTEE AND AUDITORS

As described on page 5, the Executive Committee is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the executives in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the Charity's affairs as at 31st December 2000 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the constitutional and Charities Act 1993.

M. Yunus & Co.
Registered Auditors & Chartered Accountants
320a Romford Road, London E7 8BD



PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2000

	Notes	2000	1999
Incoming resources before transfers and revaluations			
Donations received - unrestricted	4	3,292,864	1,621,292
Investment Income:			
Rent receivable		9,000	9,000
Total incoming resources		3,301,864	1,630,292
Resources expended			
Direct charitable & fund raising expenditure:			
Aid, relief & education, etc.	5	1,938,646	1,423,276
Fund raising expenditure	6	57,382	60,411
		1,996,028	1,483,687
Indirect expenditure:			
Management and administrative expenditure	7	83,000	75,413
Total expenditure		2,079,028	1,559,100
Net income resources for the year		1,222,836	71,192
Total funds brought forward		740,377	669,185
Total funds carried forward		1,963,213	740,377

The notes on pages 5 to 7 form part of these financial statements.



INTERPAL
 الصندوق الفلسطيني للتكافل والتخفيف
 من الفقر
 HELPING PALESTINIANS IN NEED
 REGISTERED CHARITY NUMBER 1040094

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

BALANCE SHEET AS AT 31ST DECEMBER 2000

	Notes	2000	1999
FIXED ASSETS			
Fixed Assets	8	114,160	118,646
CURRENT ASSETS			
Debtors & Prepayments		3,500	8,000
Cash at Bank and in Hand		1,860,525	622,631
		-----	-----
		1,864,025	630,631
		=====	=====
CURRENT LIABILITIES			
Creditors & Accruals		14,972	8,900
		=====	=====
NET CURRENT ASSETS		1,849,053	621,731
		-----	-----
NET ASSETS		1,963,213	740,377
		=====	=====
CAPITAL RESERVE			
Reconciliation of Funds			
(Unrestricted funds)			
Total funds brought forward		740,377	669,185
Net movement in funds			
for the year		1,222,836	71,192
		-----	-----
Total funds carried forward		1,963,213	740,377
		=====	=====

Approved by the Committee:

Chairperson..... *ESSA*
10.01.02.....

The notes on pages 5 to 7 form part of these financial statements.



INTERPAL

المنشور الفلسطيني للتطوير والتنمية
HELPING PALESTINIANS IN NEED
REGISTERED CHARITY NUMBER 1040094

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2000

1. ACCOUNTING POLICIES

a) Basis of Accounting:

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

The accounts have been prepared in accordance with the Statement of Recommended Practice for charity accounts.

b) Income

Voluntary income and donations are accounted for as received by the charity.

c) Depreciation:

Depreciation is provided, after taking account of any grants receivable, to write off the cost or valuation of the fixed assets including assets subject to hire purchase contracts over their expected useful lives on the following annual rates on cost in first year and on written down value thereafter:

Freehold Properties	2% on Cost
Fixtures and fittings	25% on WDV
Equipment	25% on WDV
Motor Vehicles	25% on WDV

d) Foreign currency translation

Income received from overseas and costs incurred in foreign currency are translated at the average rate during the year.

Balances with banks at the end of the financial year are translated at the closing rate.

	2000	1999
Average rate - £1 = US\$	1.55	1.66
Closing rate - £1 = US\$	1.55	1.66

2. RESPONSIBILITIES OF EXECUTIVE COMMITTEE

The Executive Committee is required to prepare financial statements for each financial year which give a true and fair view of the charity's state of affairs at the end of the year and income and expenditure for the year then ended. In preparing those financial statements, the Committee is required to select suitable accounting policies and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Committee must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operations. The Committee is responsible for keeping proper accounting records which disclose at any time the financial position of the charity and to enable it to ensure that the financial statements comply with the charity's constitutional and legal provisions. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.



INTERPAL
المندوبون الفلسطينيون للإغاثة والتنمية
HELPING PALESTINIANS IN NEED
REGISTERED CHARITY NUMBER 1042094

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2000

3. PARTICULARS OF EMPLOYEES

The average number and aggregate payroll costs of staff employed during year:

	No.	2000	No.	1999
Number of employees:				
Under £20,000	11	43,698	4	40,249
Between £20,000 - 40,000	1	24,436	0	-
		-----		-----
		£68,134		£40,249
		=====		=====

4. INCOMING RESOURCES

The charity's income resources are classified as un-restricted funds.

	2000	1999
5. DIRECT CHARITABLE EXPENDITURE		
Aid for Palestine	1,522,602	1,137,944
Aid for Palestinians in Jordan	151,910	118,927
Aid for Palestinians in Lebanon	176,142	155,355
Education & other grants - UK	87,992	11,050
	-----	-----
	1,938,646	1,423,276
	=====	=====

6. FUND RAISING & PUBLICITY

Campaign & travelling	7,859	11,572
Printing, postage, & publicity	49,523	48,839
	-----	-----
	57,382	60,411
	=====	=====

7. MANAGEMENT & ADMINISTRATIVE EXPENDITURE

Premises & office expenses	30,367	27,745
Staff costs	68,134	40,249
Audit fees	1,400	1,055
Legal & professional	-	1,128
Depreciation	4,486	5,236
Exchange loss/(Gain)	(21,387)	-
	-----	-----
	83,000	75,413
	=====	=====



INTERPAL
 الصندوق الفلسطيني للتطوير والتنمية
 HELPING PALESTINIANS IN NEED
 REGISTERED CHARITY NUMBER 1040034

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2000

8. INTANGIBLE & TANGIBLE FIXED ASSETS

	Opening Balance	Additions	Disposals	Closing Balance

COST OR VALUATION				
Freehold Properties	111,890	-	-	111,890
Fixtures & Fittings	3,392	-	-	3,392
Equipment	23,175	-	-	23,175
	138,457	-	-	138,457
=====				
DEPRECIATION				
Freehold Properties	2,238	2,238	-	4,476
Fixtures & Fittings	2,587	201	-	2,788
Equipment	14,986	2,047	-	17,033
	19,811	4,486	-	24,297
=====				
NET BOOK VALUE				
Freehold Properties	109,652			107,414
Fixtures & Fittings	805			604
Equipment	8,189			6,142
	118,646			114,160
=====				



INTERPAL

اتحادية الفلسطينيين للتطوير والتنمية
HELPING PALESTINIANS IN NEED
REGISTERED CHARITY NUMBER 1040094

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

DETAILED STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2000

	2000	1999
INCOME		
Donations received	3,292,864	1,621,292
Investment Income:		
Rent receivable	9,000	9,000
	-----	-----
	3,301,864	1,630,292
	=====	=====
Direct charitable & fund raising expenditure:		
Aid, relief & education, etc.	1,938,646	1,423,276
Fund raising expenditure	57,382	60,411
	-----	-----
	1,996,028	1,483,687
	=====	=====
Indirect expenditure:		
Premises costs		
Rent & rates	15,185	17,196
Alarm & security	54	846
Light and heat	2,849	1,750
Insurance	813	484
Repairs and renewals	500	394
	-----	-----
Staff salaries	19,401	20,670
	68,134	40,249
Office costs		
Telephone	6,247	3,326
Office expenses	937	363
Sundry expenses	407	1,476
Bank charges	3,175	1,695
Exchange loss/(gain)	(21,387)	-
Legal & professional	-	1,128
Accountancy fees	200	215
	-----	-----
Auditors remuneration	(10,421)	8,203
	1,400	1,055
Depreciation		
Depn on freehold	2,238	2,238
Depn on F & F	201	268
Depn on office equipment	2,047	2,730
	-----	-----
	4,486	5,236
	-----	-----
	83,001	75,413
	=====	=====
Total expenditure	2,079,028	1,559,100
	=====	=====
Net income resources for the year	1,222,836	71,192
	=====	=====

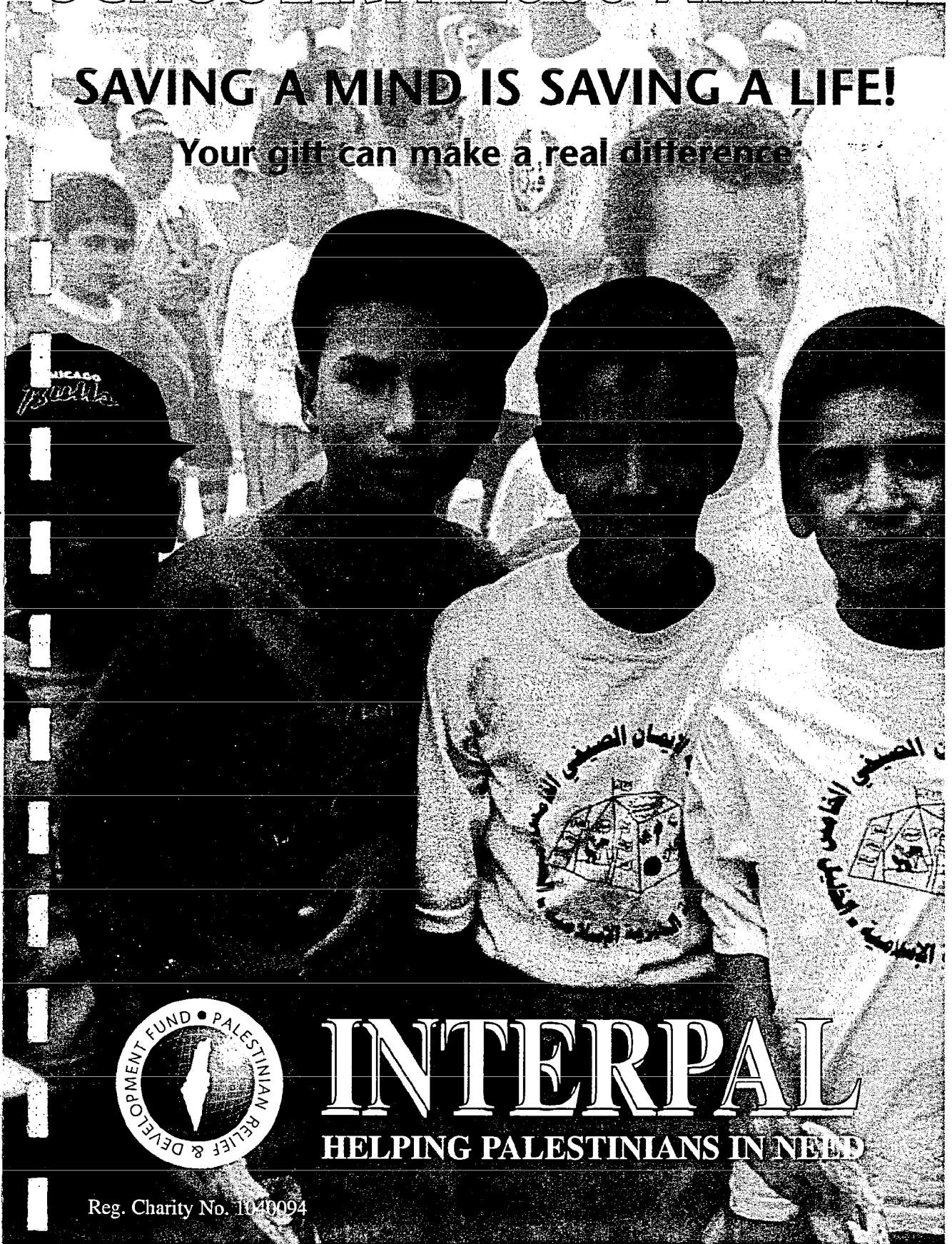


SECTION III

SCHOOL KIT 2000 APPEAL

SAVING A MIND IS SAVING A LIFE!

Your gift can make a real difference



INTERPAL

HELPING PALESTINIANS IN NEED

Reg. Charity No. 1048094

SCHOOL KIT 2000 APPEAL

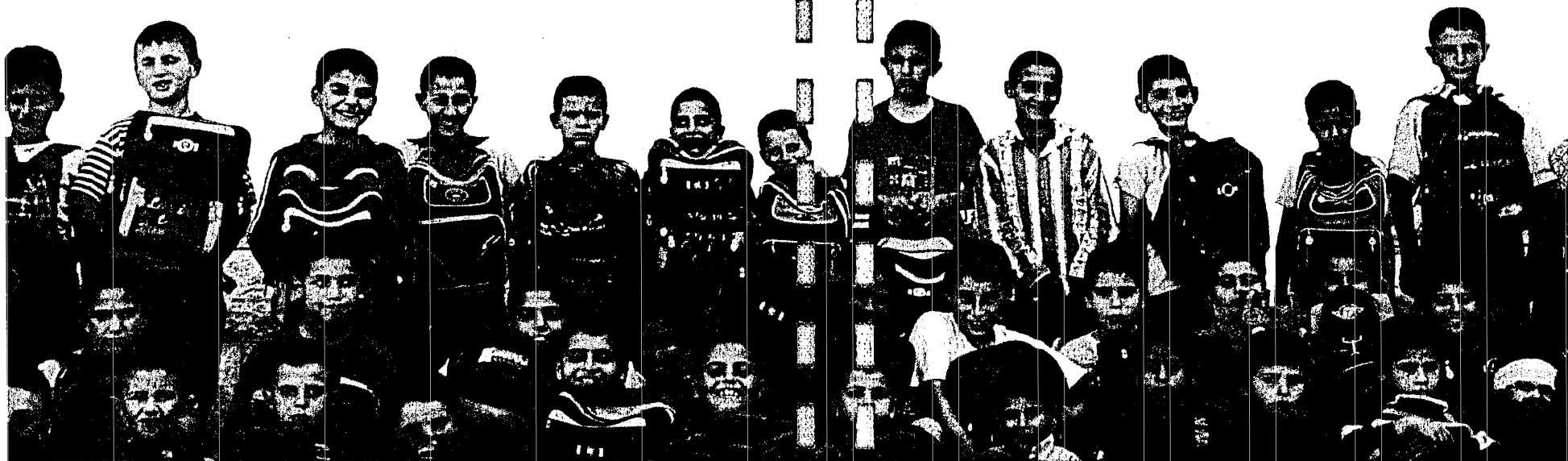
"Economic problems underlie the need to improve the educational system. There is insufficient governmental or private financial support for quality education. Furthermore, the pressure on families to provide the necessities of life – food, shelter and clothing – causes them to pull children from the educational system into the labour market. According to the Palestinian Academic Association Society for the Study of International Affairs, almost 18,000 children aged 12-16 are working in the West Bank and Gaza. Most working children spend more than 35 hours a week on-the-job and earn an average of US\$7.00 a day" *taken from the ANERA Report – Palestinian Education: Challenges to be Met, 1999.*

Ignorance, illiteracy and incompetence are real threats that can destroy a worthy life. Many Palestinian students are either dropping out or failing, not for any reason but the lack of money. It is because of this that Interpal views education as a priority for the children of Palestine. The Charity therefore strives to provide the means for Palestinian youth to attend and remain at school. One form of encouragement is the provision of school kits for children and financial help to meet a child's educational needs for a year that helps to lessen their families' burden.

Thanks to your help, in 1999 a total of about £30,000 was spent to provide School Kits for 1,500 children, to help children return to school, to support poor pupils and to provide grants for needy students in Palestinian universities. Your continued support makes such a big difference to the lives of many of the children of Palestine who are faced with the threat of ignorance, illiteracy and incompetence which can destroy their young and worthy lives. Little as £20 towards this appeal will provide a needy child with a kit containing basic school essentials. In addition, Interpal has pledged to help about 100 university students providing each with a **Qard Hasanah** of £350 per year in interest free student loans repayable when the students are able to do so.

Your gift may ultimately mean that you have helped to keep a child in education, improving his life and in turn helping his family. While preparing your own children for the new academic year, imagine the happiness and joy of the orphans and needy children when they receive their school kit at the start of their new school year. Alternatively, imagine the sense of despair and the demoralising effect on them when they are deprived.

Support Interpal's School Kit 2000 Appeal
We owe it to the children of Palestine.



DONATION FORM

Yes! I would like to bring joy and happiness to a Palestinian child.

Please complete the following details. If your name and address do not appear overleaf please write them in the space provided before sending off your donation.

- ☐ I would like to provide school kit(s) @ £20 each
- ☐ I enclose a payment of £ towards Interpal's Qard Hasanah Fund for Palestinian students
- ☐ I enclose a general donation of £
- ☐ Please also accept my additional gift of £ towards the cost of administration
- ☐ I enclose a total of £
- ☐ Please note that £ from the above sum is Zakat (*Zakat is applicable to this project*).

Please return this form with your donation to:
INTERPAL – Freepost (LON 4118), London NW2 7YP
 For credit card donations or further information please call: 020 84508002

***PLEASE SIGN BELOW ONLY IF YOU ARE A TAXPAYER TO ENABLE US TO RECLAIM THE AMOUNT OF INCOME TAX YOU PAY ON YOUR DONATIONS FOR THE BENEFIT OF THE POOR AND NEEDY OF PALESTINE AT NO EXTRA COST TO YOU!!!**

GIFT AID DECLARATION

Mr / Mrs / Miss / Ms / Dr / Title (*delete as appropriate*)

Forename: Surname:

Full Address (*please include complete postcode*):

..... Postcode:

Please treat all donations I have made to Interpal since 6 April 2000 (by cash, cheque, credit card or Standing Order), and all donations I make hereafter* as Gift Aid Donations.

Signed:

Date of Declaration:

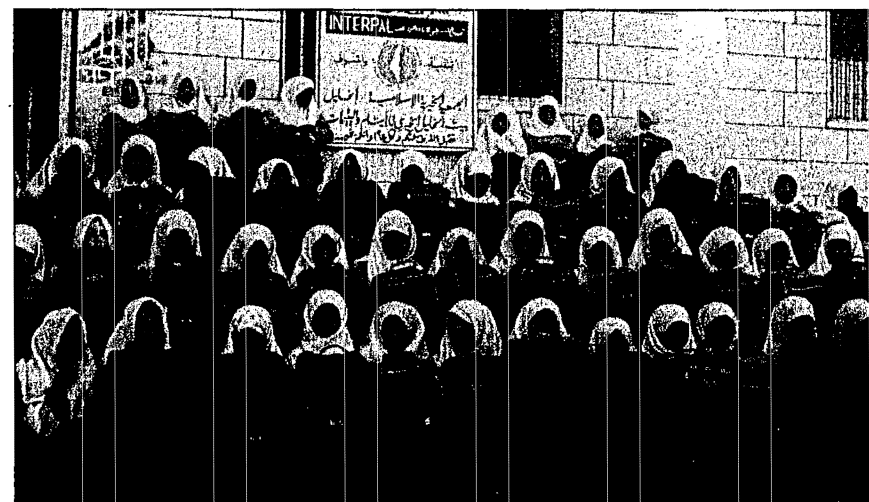
**Please note that for your donation to qualify for tax relief, the amount of income tax you pay must at least equal the amount of tax INTERPAL will reclaim from your donation. For example, if you give £100 for a year you need to be paying at least £28 in income tax per annum.*

SCHOOL KIT CONTENTS

The exact contents of a school kit will vary depending on the students' school level, but will generally include:



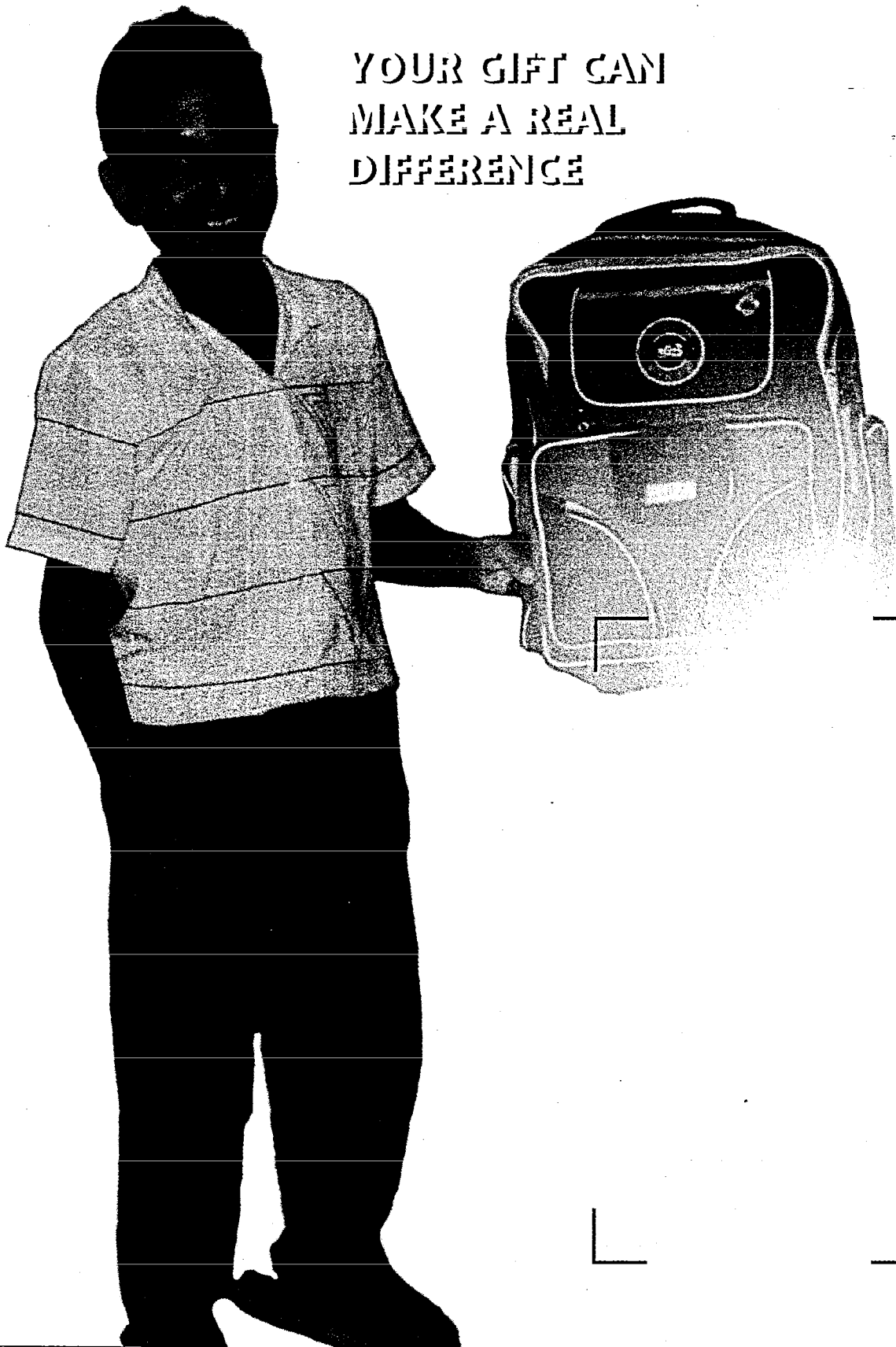
- ✓ a ruler
- ✓ an eraser
- ✓ 4 blue pens
- ✓ a school bag
- ✓ a drawing pad
- ✓ a geometry set
- ✓ 30 book labels
- ✓ a dozen pencils
- ✓ 15 exercise books
- ✓ a pencil sharpener
- ✓ a set of school uniform
- ✓ a set of colouring pencil
- ✓ 30 paper and plastic book covers



Interpal - PO Box 3333, London NW6 1RW Tel: 020 84508002 Fax: 020 8450
Email: info@interpal.org Web Site: www.interpal.org

SAVING A MIND IS SAVING A LIFE!

YOUR GIFT CAN
MAKE A REAL
DIFFERENCE



Please do not return your name, address, or phone number if they do not appear here. Thank you.

INTERPAL



PERFORM your
QURBANI for
£45

Please write your name and full address if they do not appear here. Thank you.



Interpal representatives packaging Qurbani meat in Palestine for local distribution.



An Interpal Trustee supervising the Qurbani process.

on in Islam

chool of thought considers it as one of obligations, wajib, upon the Muslim means to buy it without difficulty. hat anyone who satisfies the above ut neglects the sacrifice is committing a er schools of thought consider it as an ngly recommended act.

DONATION FORM

YES! I would like to help my Palestinian brothers and sisters.

Please arrange for the following Qurbanis to be performed on behalf of (names):

- 1
- 2
- 3

• Number of Qurbanis ☐ @ £45 each

• My contribution towards shipment @ £10 per Qurbani

• I enclose the total sum of

£

£

£

I am unable to afford the cost of a Qurbani in Palestine but would like to bring some happiness to a widow or orphan this Eid. I enclose a gift of:

£15 ☐

£20 ☐

£30 ☐

Other ☐

Please accept my Zakat donation of: £

Please send me information on:

1. The sponsor an orphan programme. ☐
2. How to give my gift by Deed of Covenant or Gift Aid. ☐
3. I would like to help Interpal by distributing leaflets. Please send me leaflets.

QURBANI 1999 FEEDBACK

- About 10,000 Qurbanis were performed on behalf of INTERPAL donors worldwide.
- 10% were performed inside Palestine. The meat was distributed on the day of 'Eid thus giving a sense of occasion on the day and helping to revitalise the economy by supporting local farmers.
- Half of the Qurbanis performed outside Palestine were frozen. Each sheep was divided into 6 portions to facilitate distribution. Two containers each were shipped to the refugee camps in Palestine and the Lebanon. They arrived within 2 months of 'Eid thus provided a timely opportunity for the needy to eat meat
- The other half was processed and canned, yielding about 100,000 cans of corned mutton. These were shipped to Palestine. In this form, it means that the Qurbanis may be utilised by the poor as and when needed within 4 years of the date of production.



Interpal representatives
Qurbani meat in Palesti
distribution.



An Interpal Trustee super
Qurbani process.

What is Qurbani?

Its position in Islam

Qurbani 2000 Appeal

We will be happy to take orders to perform a Qurbani on your behalf up to the **2nd day of Eid**. Please call us on: **0956 413 451**.

Assalamu 'alaikum wa rahmatullahi wa barakatuh.

I am happy to report that the unstinting support of our donors has once again brought INTERPAL's Ramadan 2000 Appeal to a successful conclusion, *Alhamdulillah*. Our heartfelt thanks and gratitude go out to all who have contributed generously during/towards the Appeal. Now, however, we are fast approaching the month of *Dhu al-Hijjah* and on the occasion of 'Eidul-Adha I, on behalf of INTERPAL Trustees and staff, would like to wish all Muslims 'Eid Mubarak, *Insha-Allah*.

Needless to say, your generosity last year helped to make INTERPAL's Qurbani Project a resounding success, *Alhamdulillah*. Due to the fact that the average cost of a sheep is £140 in Palestine not many people can afford meat regularly. For the poor and needy, therefore, 'Eidul-Adha is a long awaited occasion when they could have meat at least once during the year. Hence we urge you to support our Qurbani Project again by performing your Qurbani for the benefit of the poor in Palestine, and/or sending whatever you can to bring some happiness to an orphan, a widow or needy families during this time.



An Interpal Trustee selecting the best sheep for Qurbani.

Last year one of our representatives witnessed the distribution of frozen Qurbani meat in Gaza and reported that the meat was eagerly anticipated and gratefully received. This has encouraged us to do the same again this year, *Insha'Allah*. What is so heartening about the Project is that while the Qurbanis are performed on the 'Eid Days we will be able to distribute the meat over a longer period. The Qurbanis performed inside Palestine will give the poor and needy a sense of occasion, whereas the frozen meat will arrive within 2 months of 'Eid and give them another opportunity

to have meat; the canned meat will enable them to eat meat at an even later date, *Insha'Allah*.

In order to help more people to perform this great *Sunnah*, this year we aim to provide Qurbanis at the reduced price of £45.00 per sheep. However, an additional contribution of £10.00 towards administration and shipping cost would be much appreciated. We therefore urge you to consider performing Qurbani for the benefit of the poor and needy of Palestine this year. May Allah SWT reward you for your support, kindness and generosity, *Amin Jazakum Allah Khayran. Wassalam*.

Your Brother in Islam;

Ibrahim Hewitt

Ibrahim Hewitt
Chairman of the Trustees

P/S. If you are unable to perform Qurbani this year please give what you can towards a share of a Qurbani or contribute towards gifts for the poor and needy. £25 will buy 3 'Eid gifts for orphans or help bring some happiness to a deprived family.

Qurbani performed in Gaza, Palestine



Your contribution will bring some happiness to a widow and her young children



QURBANI

Qurbani 2000 Appeal

PERFORM your
QURBANI for
£45

Registered Charity No. 1040094

INTERPAL
HELPING PALESTINIANS IN NEED



Ramadan 2000 Appeal

LOOKING FORWARD TO RAMADAN

Dear Respected Donor,

Assalamu 'alaikum wa rahmatullahi wa barakatuh.

Once again, it is an honour to be able to write on behalf of my fellow Trustees and thank you for your tremendous and continued support for the work of Interpal. It is surely a sign of the blessings of Allah SWT that the Muslim community feels the pain and anguish of our Palestinian brothers and sisters so much that our appeals are received so positively. May Allah SWT reward each and every one of our donors for their efforts in His way, *Amin*.

It is not long now until Ramadan will be with us again, *Insha'Allah*. I sincerely hope you will respond to our Ramadan Campaign Appeal this year with as much generosity as you did on previous occasions. In the meantime, please find enclosed the Interpal 2000 Update to keep you informed of how Interpal funds have been used, and of various developments over the last 12 months. Please also find enclosed a gift of an Islamic calendar for 1421-1422 *Hijrah* as a token of our appreciation for all your support.

Don't forget that in addition to our Ramadan Campaign Appeal in December, you can contribute at any time to Interpal's on-going projects in our different fields of operation to provide much needed relief and assistance for the poor and needy of Palestine. For example, you may choose to contribute towards Interpal's work in:

Humanitarian Aid (including Zakat distribution) that helps poor and needy orphans, widows and families; **Healthcare** providing funds for hospitals, clinics and equipment for the disabled, and subsidised medical treatment for the poor and needy; **Education** supporting and providing equipment for schools, nurseries, Qur'an Tahfiz centres and Summer Camps; **Community Development** (including the *Waqf*) that contributes towards the maintenance of Masjidil-Aqsa, the running costs of local charities and Sadaqah Jariyah projects.

**NB: Interpal also collects unwanted interest money to help with administrative costs so that other funds may be used solely for what has been specified by our donors.*

All you need to do is to complete the attached donation form and return it to us together with your donation. May Allah SWT be pleased with all your good works for His sake Alone.

Jazakum Allah Khayran: Wassalamu 'alaikum wa rahmatullahi wa barakatuh.

Your brother in Islam;



Ibrahim Hewitt
Chairman of the Trustees

HELPING PALESTINIANS IN NEED



Interpal

Interpal - Freepost (LON 4118) London NW2 7YP
Tel: 020 8450 8002 Fax: 020 8450 8004
Email: info@interpal.org
Web Site: www.interpal.org

Reg. Charity No. 1040094

Ramadan 2000 Appeal

DONATION FORM

Contributing to on-going Interpal projects is one of the best ways to help Palestinian orphans, widows and other needy families to help themselves, and to please Allah SWT. Don't delay. Make your gift today.

For further information or credit card donations please call 020 84508002

YES! I would like to help my brothers and sisters in

Palestine by making a donation of £.....

towards the following Interpal project/s: tick as appropriate

☐ Humanitarian Aid £..... ☐ Healthcare £.....
☐ Education £..... ☐ Community Development £.....

Please note:

I wish for my donation to be accepted as the following:

Zakat £..... Fitrana £..... Sadaqah £..... Other £.....

May Allah SWT accept this deed and give the poor and needy of Palestine benefit from it, *Amin*.

If you would like further information on Interpal's Sponsor an Orphan Programme, Waqf Fund or other projects please indicate here. ☐

Thank you for your generosity.

Gift Aid Declaration

Now your gift can help even more.

*PLEASE SIGN BELOW ONLY IF YOU ARE A TAXPAYER TO ENABLE US TO RECLAIM THE AMOUNT OF INCOME TAX YOU PAY ON YOUR DONATIONS FOR THE BENEFIT OF THE POOR AND NEEDY OF PALESTINE AT NO EXTRA COST TO YOU!!!

Mr / Mrs / Miss / Ms / Dr / Title (delete as appropriate)

Forename: Surname:

- If your Name and Address do not appear below please write them clearly including your full post code.
- Please treat all donations I have made to INTERPAL since 6 April 2000 (by cash, cheque, credit card or Standing Order), and all donations I make hereafter* as Gift Aid Donations.

Signed:

Date of Declaration:

*Please note that for your donation to qualify for tax relief, the amount of income tax you pay must at least equal the amount of tax INTERPAL will reclaim from your donation. For example, if you give £100 for a year you need to be paying at least £28 in income tax per annum.

Calculating Your Zakat

The broad categories of assets subject to zakat are listed below. If you add their values, then subtract the value of your immediate debts (not including the mortgage on your house), you get your total subject to zakat. If this exceeds £700, zakat must be paid on the entire sum, including the first £700.

ASSETS

Cash at home	£
Balance in Bank Accounts	£
Gold & Silver (inc. jewellery in Hanafi School)	£
Stock in trade*	£
Resale value of shares	£
Value of (or equity in) property held as investment (not including properties that are let)	£
Total assets liable to Zakat	£
LESS immediate debts**	£
Total subject to Zakat	£

If the total subject to zakat is more than £700, you should pay zakat of 2.5% on the whole amount.

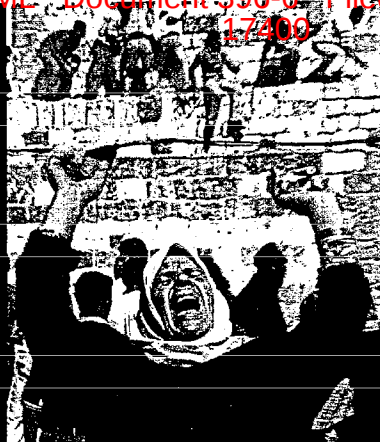
* The capital of a business, including working capital, used in the purchase of goods for sale is subject to zakat. The capital that is turned over is subject to zakat, but the profit earned becomes subject after a year. Fixtures and fittings of a shop or other business, including vehicles used in business are not subject to zakat. **Mortgage on a house secured against the property and repayable over an agreed number of years is not deductible.

(For a detailed leaflet on Zakat please contact Interpal)

Zakat ul-Fitr or Fitrana

Fitrana is compulsory on every Muslim who has sufficient means for himself and his family or dependents for the day of Eid. The rule is simply that those who can pay, should pay. It must be paid before the Eid prayer at the end of Ramadan for it to be valid and accepted. This year the rate is equivalent to £3.00 per head.

Please return this form with your donation to: Interpal - FREEPOST (Lon 4118), London NW2 7YP
Remember to write your address on the reverse of your cheque.



PALESTINE

THE CRISIS CONTINUES

The people of Palestine are calling for your help!

A MESSAGE FROM GAZA

"Dear Respected Brothers & Sisters in the UK

Assalamu a'alaikum wa rahmatullahi wa barakatuh.

We write from the land of Isra and Mi'raj to express our most sincere thanks and appreciation to our Brothers and Sisters in the UK for their generous support, which we have received through INTERPAL.

We are most appreciative and grateful for this honourable stand which you have taken to support the families of the martyrs, the injured and the needy victims of the Al-Aqsa Intifada. The generosity and speed of your response has truly shown the spirit of our Islamic Brotherhood.

Our Dear brothers, the situation continues to deteriorate day by day and the people of Palestine continue to need your prayers and support.

To date:

- 100s of Palestinians have been killed
- 1000s have been injured (many for life)
- 1000s of homes have been destroyed by rockets
- 100s of acres of farmland and vegetation (particularly Olive trees) have been uprooted and destroyed
- 120,000 people have lost their jobs and thereby their only means of livelihood
- Many factories have now closed
- The construction industry has come to a halt
- Agriculture produce has perished as result of closure of the borders

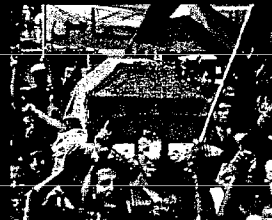
There have now been 50 days of continuous closures. At least 40,000 desperate families are praying to Allah SWT and calling upon you to help.

Please help!

Jazakum Allahu Khayran.

Signed:

Brother Ahmad Al-Kurd
Chairman of Al-Salah Islamic Association
Chairman of the Emergency Relief Coordination Committee
Gaza, Palestine
Date: 16/11/2000"



PALESTINE - A SPECIAL NEED

The *Al-Aqsa Intifada* has made us all even more aware of the plight and suffering of the Palestinians over more than 50 years. It also highlights the fact that the suffering goes on, even as you are reading this.

Everyday, we hear of new casualties and deaths in occupied Palestine. Everyday, there are more widows and more orphans in need of your help.

This Ramadan more than ever we urge you to bring some happiness to a needy Palestinian family. Show you care! Your gift of £25 will provide a parcel of essential food supplies at this special time.

"He who brings about happiness in a Muslim family, Allah (SWT) will not give a reward less than paradise" (Hadith)



INTERPAL

HELPING PALESTINIANS IN NEED

Reg. Charity No. 1040094



Distribution of Food Parcels, Ramadan 99/2000



Collective Iftar - Refugee camp, Lebanon



Distribution of Eid Gifts

Please send your Zakat, Fitrana, Sadaqa and other donations, made payable to: Interpal Zakat Fund (Interpal), FREEPOST (LON 4118), LONDON NW2 7YP

Or contact us on Tel: 020 8450 8002 for further information and credit card donations - Email: info@interpal.org

Please accept my donation for the needy in Palestine. I enclose a Cheque/Postal Order for:

Type and amount of donation: Zakat £ Sadaqa £ Fitrana £ General £

I would like further information on:

Zakat Calculation ☐ Ramadan Project ☐ The Orphan Programme ☐ The Al-Aqsa Waqf Fund ☐

All donations will be gratefully acknowledged - Name/Address

.....

..... Post Code

Interpal

Helping Palestinians in need ~ Special February 2001



Helping Palestinians in need

SPECIAL UPDATE REPORT

Al-Aqsa Emergency Appeal & Ramadan 2000 Campaign

Interpal's policy is one of transparency. We are pleased, therefore, to present this special report to our donors detailing the relief and humanitarian aid we have provided to those most in need, with thanks to Allah SWT and the generosity of the Muslim community. This update aims to highlight the deployment of funds collected during the Al-Aqsa Emergency Appeal and 2000/2001 Ramadan Campaign, *Insha-Allah*.

The Al-Aqsa Intifada

The Intifada erupted on Friday 29th September 2000, a day after the provocative visit of Ariel Sharon to the Masjidil-Aqsa compound in Jerusalem, accompanied by heavily armed soldiers. The demonstrations against this act, and the subsequent disproportionate response of the Israeli military, has left many Palestinians dead or injured. To date, the number of martyrs stands at over 400, with more than 10,000 injured, many seriously. A significant number of the casualties are children (i.e. under 18 years old). The youngest martyr was just a few days old when she was killed.

In addition to the human cost, untold damage has been done to the Palestinian economy. According to a Palestinian Ministry of Industry report, the industrial sector has suffered losses amounting to more than US\$550 million. The agriculture sector has suffered US \$100 million worth of damage due to the wanton destruction by Israeli troops and settlers of crops, including thousands of olive trees, farm machinery and irrigation systems. Around 125,000 people have lost their livelihood. The situation worsens daily, due to the tactics of the Israeli "Defence" Forces and their indiscriminate use of live ammunition

and weapons such as tanks, missiles and helicopter gunships.

Interpal's Response

Interpal responded within hours to the emergency by launching a campaign of co-operation and co-ordination on two levels, internationally and inside Palestine. On the international level, Interpal sought to raise funds for emergency facilities at Masjid al-Aqsa, including a clinic, a fire station and ambulances. Financial assistance was earmarked for the families of the martyrs and the injured. Across Palestine committees were mobilised, co-ordinating their activities to meet the immediate needs of the people swiftly, efficiently and effectively. Within a week or two of Interpal's campaigns being launched, many of the emergency aid programmes proposed were adopted by overseas charities working for Palestinians, particularly those in the Middle East.



Once it was clear that the immediate needs in Palestine were being met, Interpal adopted a strategy to support long-term projects, which would not otherwise receive funding because development money pencilled in for Palestine was being diverted for emergency aid. We invited the local committees to send their long-term

project proposals and received over 150 applications in total. As part of the European co-ordinating body Interpal studied the proposals carefully and worked on their presentation. We then formatted the applications in CD form with a view to market them effectively to our sister charities and other funding bodies. One of the long-term projects that was proposed is the creation of the Al-Dura Waqf Fund in memory of twelve year old Mohammad Al-Dura who was killed by Israeli soldiers in the glare of the world's media, to help child victims who have been permanently disabled during the Al-Aqsa Intifada. However, reports received from inside Palestine indicated that the emergency aid pledged by the above-mentioned overseas charities was not getting through because of the volatile situation in the area.

Co-operating with other organisations, Interpal then released more than £500,000 to major hospitals, and provided emergency food parcels and financial assistance to families affected by the conflict. Interpal is more aware than most of the needs of the Palestinians because of the close contact maintained with organisations on the ground inside Palestine acting as our eyes and ears, keeping us informed of events in minute detail. This is why Interpal can respond immediately to urgent calls for assistance from the local committees.

In addition to these campaigns, Interpal launched emergency appeals and organised charity events in Britain to raise funds for our Palestinian brothers and sisters whose situation is dire. We are happy to report that these fundraising activities were well supported by our existing as well as new donors.

Photo: A Palestinian child receiving an emergency food parcel from an Interpal representative.

For further information on Interpal or any of Interpal's campaigns and projects please visit our web site @

www.interpal.org

Public Response



While Interpal trustees and staff prepared to launch our campaigns, many donors rang to express their grave concern at the news of the Al-Aqsa Intifada. They wanted to know what they could do to aid the thousands suffering as a direct result of the unrest, including those who were injured, who lost relatives, and whose homes, land and livelihood were destroyed.

The response from the public to the Interpal Al-Aqsa Emergency Appeal was superb, and it intensified during the subsequent Ramadan Campaign. Donations in cash and kind poured in, and many supporters asked to sponsor orphans. Mosques authorised Interpal to organise appeals and collections after *Jumu'ah* prayers. Volunteers provided invaluable assistance helping to distribute leaflets during the fundraising programmes. Welfare organisations, mosques, students' Islamic societies, schools and others organised their own collections and charity events, and donated the proceeds to Interpal. Many Interpal donors, including young children, have sent cards and letters expressing concern and support for the Palestinians.

These activities were successful, not only in terms of the funds they generated, but also in respect of giving moral support to Interpal's dedicated staff and volunteers who worked incredibly hard to meet donor requests, especially during the busy month of Ramadan. The fundraising events also helped to increase awareness within the community of the barely imaginable suffering of the people of Palestine. Through word of mouth alone more and more people came to know that there is an organisation such as Interpal that is solely dedicated to helping Palestinians in need, and stepped forward to contribute their time, money and prayers.

"A group of sisters rang in advance and asked to visit the office. When they turned up they brought with them bundles containing the proceeds of a collection they had organised, including cash and gold jewellery. It was totally unexpected and really overwhelmed me."
(Interpal member of staff)

"I have a money box and have been saving money for some time now. I saw on TV what is happening to the Palestinian children and I want to give this money to them."
(A junior donor aged about 4 years)

"Please, I need to unburden my heart because I can't bear it any longer. How can people witness so much violence and cruelty inflicted on the people of Palestine and not do something? I can't bear it, I just can't! Please, tell me what can I do, how can I help? I want to take my daughter [the donor's sponsored orphan] out of there to live with me until the troubles cease, but I know that it would break her own mother's heart to be parted from her. Please, how can I help?"
(Telephone call from an orphan sponsor)

"...Please find enclosed a cheque for £1,480. This was money raised... at 'Yawm Al-Aqsa' event. This is to help our brothers, sisters and families who are suffering under the atrocities..."
(Extract from a letter received from one of many Muslim organisations in Britain that responded to the events unfolding in Palestine)

"Dear Interpal,
My family wants to donate some charity money to help the poor Palestinians (men, women and children) in this time of suffering. May Allah shower His blessings on the good and honest people around the world. Thank you for helping the Palestinians in this situation."
(From an Interpal donor in the USA)

Photographs:
Top left: Special bazaar in October 2000 at London's Central Mosque in aid of victims of the Al-Aqsa Intifada

From top right, down:
• Flour sacks for distribution in Palestine being off-loaded
• Food items being packed into parcels by Interpal's representatives
• A mobile food parcel distribution unit in Lebanon
• Beneficiaries queuing at one of Interpal's many food distribution centres in Palestine
• Palestinian children with their "Eid clothes, gifts from Interpal donors



Those We Helped

"Dear Respected Brother (an Interpal donor),
Assalamu 'alaikum wa rahmatullahi wa barakatuh.
 On behalf of the martyr Fahmi's family we would like to express our sincere gratitude for the donation of \$1000 you have sent to the family to ease their grief. The martyr Fahmi was 24 years old from the Nusairat Camp in Gaza. His is a sad story. He was an only son and the sole provider for his family, which consists of his father (who is mentally ill), his mother and four sisters. One of his sisters is a university student. Fahmi was like most Palestinian youths, earning his living day-by-day. How was he killed? Fahmi was hit by an Israeli anti-tank missile in the head. His injuries were so bad that his mother was not allowed to see her son's body to say her final farewells before he was buried. So what is the situation of this family after their loss? Their heart weeps before the tears fall from their eyes. Once again please accept our thanks on

behalf of the martyr's family. We ask Allah (SWT) to reward you abundantly for your generosity and we ask Him (SWT) to increase your good deeds on the Day of Judgement, *Amin. Wa barak-Allahu fikum.*" (Extract from a letter of appreciation from a local committee in Palestine)

انترپال = INTERPAL

مشروع الطرود الغذائية

رمضان ١٤٢١ هـ - ٢٠٠٠

المخيمات الفلسطينية - لبنان

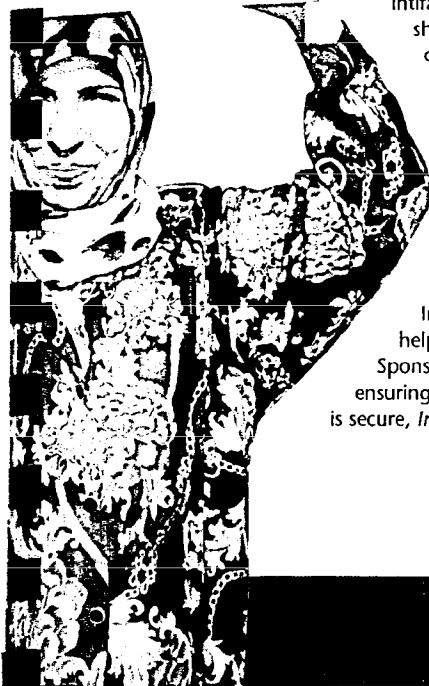
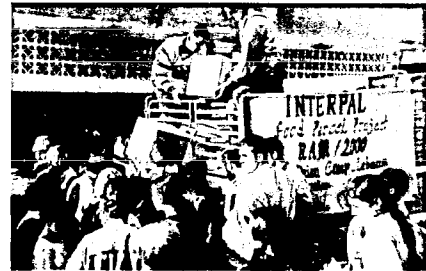
The Orphan Mariam (5105)

Mariam is 4 years old and lives in Gaza. Her father was martyred during the Al-Aqsa Intifada. He was



shot in the chest when he offered resistance in response to Israeli aggression. His wife is expecting their third child and because of the troubles her family decided to take her away leaving Mariam behind with her paternal grandmother.

Interpal has been able to help Mariam through its Sponsor an Orphan Programme ensuring that her immediate future is secure, *Insha-Allah.*



Financial Report - Distribution of Funds

Alhamdulillah Interpal, in conjunction with other overseas charities especially in the Middle East and Europe, has provided humanitarian aid in excess of £1 million to date in response to the Al-Aqsa Emergency Appeal. We distributed about £450,000 prior to Ramadan and £650,000 during the Interpal Ramadan 2000 Campaign.

The Emergency Appeal funds were spent to provide:

- emergency food supplies (£250,000)
- medical aid (£70,000) including supplies and equipment
- financial assistance (£100,000) to families affected by the Intifada, especially the families of those martyred and injured

Ramadan Campaign funds

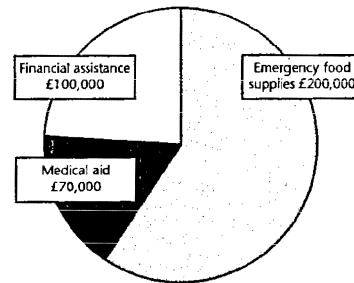
In response to appeals by the local committees in Palestine, 50% of the Ramadan Campaign funds above were distributed in cash and the other 50% in kind. This is because as the situation progressed more and more

relief agencies were sending donations in kind only and there was a glut. People had no money to pay for other necessities such as winter fuel which they desperately needed to keep warm. The funds were distributed as follows:

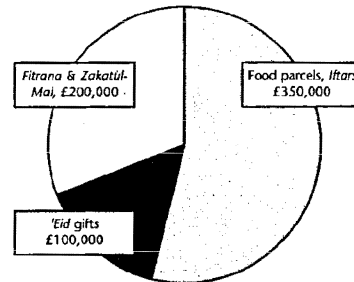
- food parcels and collective *Iftars* (£350,000)
- 'Eid gifts (£100,000) for orphans, widows and needy families.
- £200,000 *Fitrana* and *Zakatul-Mal* payments were distributed to the poor and needy

Distribution was made to beneficiaries across Palestine. Many major hospitals, which are continuing their valiant efforts to minister to the casualties of the Intifada, received assistance as well as 50 separate charitable organisations and 6 different projects. Additionally, funds were also distributed to the oft forgotten refugees in Lebanon (£120,000) and Jordan (£50,000).

Emergency Appeal funds



Ramadan Campaign funds



Appreciation

It is clear that the appeals launched by Interpal were well received and supported, *Alhamdulillah*. Our achievements over the past few months have depended on you, our donors, who responded most graciously and generously to the plight of our Palestinian brothers and sisters. The letters of appreciation we have sent out and words of thanks we have personally conveyed cannot even begin to express our gratitude to all our supporters who have helped and contributed to the overall effort.

No peace agreement has been reached in Palestine as this update goes to press. In real terms, that means that more and more people face daily hardship as a direct result of the ongoing struggle against oppression. If and when peace is

restored, *Insha'Allah*, the people of Palestine face the task of rebuilding not only their lives, but also the infrastructure of their land. The cost will be huge, emotionally and financially. They need your support in the short- and the long-term. The struggle will go on until a permanent solution with justice is achieved. Your response has been magnificent during the Al-Aqsa Intifada. Do not let the martyred and injured fade from your memory. Please continue to give your unstinting support in whatever way you can. *Jazakum Allahu Khayran*.

Our Special Thanks are due to...

- mosque management committees for their co-operation;
- Imams of mosques for their special *du'as*;

- communities all over Britain for their collective support;
- the business community for their contributions;
- university Islamic societies for their fine efforts;
- the staff and pupils of schools for their resourcefulness and imagination;
- welfare organisations for their donations;
- the public for their words of encouragement;
- our volunteers for their valuable time, and our staff for their hard work and dedication.

Thank you all for your concern, kindness and generosity. May Allah SWT reward you with *Jannatul-Firdaus* for all your good deeds, *Amin*.

Perform your sacrifice for the poor and needy of Palestine!

Please send your postal donations in the form of cheques or Postal Orders, made payable to INTERPAL to:
Interpal - Palestinian Relief & Development Fund - PO Box 3333, London, NW6 1RW
To make credit card donations please call us on: Tel: 020 8450 8002 | Fax: 020 8450 8004
E-mail: info@interpal.org | Interpal Online: www.interpal.org | Registered Charity Number: 1040094

Interpal

Helping Palestinians in need ~ No. 3 November 2000



Interpal PO Box 3333, London NW6 1RW ~ Registered Charity No. 1040094

Chairman's Message

Assalamu Alaikum.

As the peace process rumbles on, and politicians continue to play their games, the victims of the root cause of the inappropriately named "Palestinian Problem" continue to suffer. With no genuine solution in sight, the task remains for organisations like Interpal to seek to alleviate the suffering of Palestinians in exile, refugees in their own land and neighbouring countries. For this, we need the support of donors around the world who feel and share the pain of their brothers and sisters deprived of even the most basic of human rights.

Many commentators over the years have called into question the reasons of the ongoing tragedy, and some are even suggesting that the only real route to Middle East peace is for the 3.8 million Palestinian refugees to give up their internationally recognised right to return to their homeland. Put another way, if you can manage to evict your neighbour from his house and stay there long enough, you will eventually be given title to the property. Who in their right mind

would accept such an absurd proposition? And yet, that is what Palestinians are expected to do so that the State of Israel can expand its role as the perennial cuckoo in the Middle East nest.

Putting the politics to one side, the human tragedy that engulfs generation after generation of Palestinians demands our attention. Malnutrition is now being experienced in the Gaza Strip; unemployment is rising; sanitation is frequently non-existent and supplies of fresh water are becoming a source of real concern. Serious shortages of educational and medical resources and severe overcrowding add to Palestinian misery beyond the comprehension of most of us. As long as they are in this situation, the temptation to leave their ancestral lands becomes harder and harder to resist. The scale of the problems is staggering. But it must be tackled, head-on. It is our duty, as Muslims and as human beings with an ounce of compassion for those less well off than us.

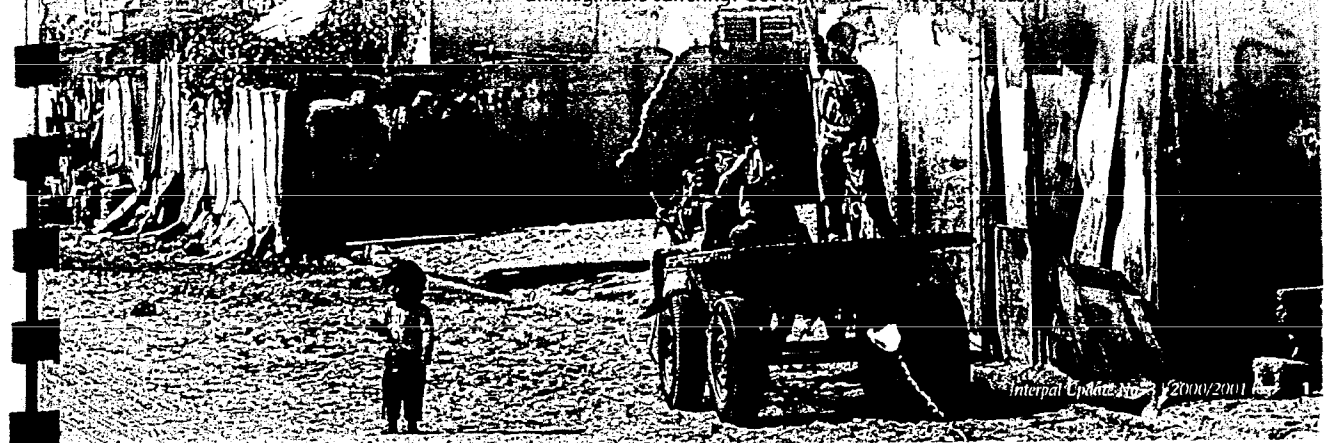
So what can we do? Interpal operates on many levels, offering humanitarian aid and support for health, education and community development projects. And we are inviting you to join us in this effort to ease real and unimaginable suffering. Governments

can only do so much; public appeals on the scale of those made in response to disasters like the floods in Mozambique, or famine in the Horn of Africa, demonstrate that official money has to be supplemented by private donations if effective change is to be made. Interpal relies on donations large and small to develop its programme of assistance for needy Palestinians. Never think that your help will be too little to be of use. Without a solid foundation of donations from individuals like you, Interpal would have to curtail its operations at a time when they are needed more than ever before.

You can make a difference, so I would urge you once again to dig deep and contribute to the survival of Palestinians in the Holy Land. Remember, the Prophet (peace be upon him) said that wealth never decreases because of charity. When we give freely of our wealth, we all benefit, *Insha'Allah*.

So ignore the political goings on if you can, but don't ignore your brothers and sisters in Palestine. If their pleas for help fall on deaf ears, the nightmare scenario of Palestinians being ethnically cleansed from their own land once and for all comes one step nearer. The choice is yours. Make it today. Please.

Photo: Living conditions in Gaza



Interpal Update No. 3 2000/2001

Interpal In the Year 2000

Interpal is well into the sixth year of its existence, *Masha'Allah*. We have gone from strength to strength in our level of fundraising, in the establishment of strong ties of co-operation and co-ordination with many international sister organisations, and in public accountability. This is a reflection of Interpal's commitment to improve efficiency and facilitate transparency. We understand that you, our supporters, like to know exactly where and how your generous donations have been spent. What follows is a summary of Interpal activities throughout the year 2000 and how your donations have been used.

Projects Supported and Aid Distribution

Due to the nature of donations received, and the wishes of the donors, a high proportion of Interpal's funds are used to provide Humanitarian Aid, including support for the Ramadan and Qurbani projects as well as the Orphan Sponsorship programme.

Ramadan Campaign

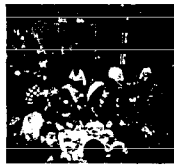
The Interpal Ramadan Campaign focuses on four main aid categories namely the provision of Food Parcels, Collective Iftars in Masjid al-Aqsa, 'Eid Gifts for children and *Zakat* and *Fitrana* distribution. In all, Interpal distributed in excess £300,000 during the Ramadan 1999/2000 campaign. More than 30 different local charitable organisations working for the poor and needy across the West Bank, Gaza Strip, Jordan and Lebanon participated in the distribution of Interpal aid.



Food Parcels: These contain basic foodstuffs such as rice, flour, cooking oil, sugar and dates. Poor and

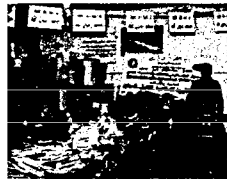
needy families registered with our partner organisations in all areas of operation are given these parcels to sustain them during the holy month of Ramadan and 'Eid days.

Collective Iftars: Since feeding the fasting and the poor is a highly recommended act during Ramadan, the



Ramadan Campaign. Throughout Ramadan Iftar is prepared for about 10,500 worshippers who benefit directly from the generosity of our donors. The mosque provides 400 meals every day and 700 on Fridays and on *Laylatul-Qadr*.

'Eid Gifts: 'Eid is a very special time for Muslims, especially children who look



forward to the festivities with eager anticipation. However, 'Eid could equally be a very sad occasion for those who are ill able to afford provisions for their families. This is why Interpal supports projects that provide 'Eid gifts and 'Eid clothes for orphans and poor and needy children. Whereas 'Eid clothes may be distributed before the festivities, children's gifts are usually distributed after 'Eid prayers on the first day when they are gratefully received.

Zakat and Fitrana Distribution: Most Interpal donors choose to pay their *Zakatul-Mal* during Ramadan. This coupled with the fact that *Fitrana* has to be distributed before the first 'Eid prayer determines the time of distribution for both *Zakat* and *Fitrana*. The distribution of such funds ensures that the poor and needy can join in the 'Eid celebrations and provides relief from the poverty and hardship faced daily.

Qurbani Project

In the year 2000, Interpal, in partnership with other charitable organisation in Europe and the Middle East performed about 10,000 Qurbanis over the four days of 'Eidul-Adha. This marks an increase of about 2,000 sheep compared with 1999. The Interpal Qurbani Project is conducted on three levels to ensure even distribution of the

provision of Collective Iftars at Masjid al-Aqsa at this special time forms an important part of Interpal's

meat yield and prolong the time scale when the meat may be enjoyed. The prohibitive price of meat means that many people can only eat meat just once a year during 'Eidul-Adha when Qurbanis are given to the poor. In excess of £300,000 was expended on this years Qurbani Project.

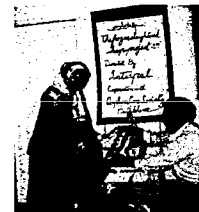
Fresh Meat: Due to the high cost of livestock in Palestine most of the Qurbanis take place outside the territory. However, a small proportion of



the total number of the Qurbanis are performed inside Palestine and the other

Interpal areas of operation to give the local residents, especially the poor and needy, a sense of occasion. The meat is distributed fresh to those entitled to it to enable them to enjoy it on the days of 'Eid. £100,000 was expended on this part of the Qurbani project.

Frozen Meat: About half of the remaining Qurbanis are cut into pieces, individually wrapped, frozen and then shipped to Interpal's areas of operation for distribution about three months after 'Eidul Adha.



This gives the poor and needy another opportunity to have meat in their diet. Three full containers, containing

61,243 Kg Qurbani meat were shipped and distributed in Palestine. An addition full container containing 25,735 Kg of Qurbani meat was shipped and distributed in Lebanon.

Canned Meat: The rest of the Qurbanis are processed and canned, then shipped for distribution at an even later date, making it possible for the recipients to consume the product up to three years



after the date of production. A total of 95,040 cans of Qurbani meat were

shipped for distribution in Palestine. A total 22,608 cans of Qurbani meat were shipped for distributed in Jordan. Another 24,000 cans were shipped for distribution in Lebanon.

Orphan Sponsorship Programme

Thanks to your support, Interpal is now committed to helping over 1,200 orphans, *Alhamdulillah*. With the help of its sponsors, Interpal is able to provide each orphan with £25 a month (excluding any additional gifts from sponsors). We cannot emphasise enough that for these orphans and their families sponsorship is vital to their livelihood as it is often their only regular source of income. Interpal links sponsors to particular orphans and encourages



contact between them in order to strengthen the bond of Islamic brotherhood.

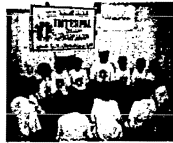
Due to improvements made in the Orphans' and the Overseas Administrative Sections at Interpal, we are now facilitating and managing the sponsorship of 3,000 orphans supported by organisations in the Middle East. This is testimony to the trust our donors/sponsors have in the Sponsor an Orphan Programme and the way the Orphans' Section functions. By the Grace of Allah SWT we hope to make further improvements and increase efficiency in order to encourage more potential sponsors to come forward offer much needed assistance to orphans in great need. For the year 2000 a total of £729,000 has been expended for the benefit of the orphans supported by the programme.

Summer Camps

Summer camps are an important part of life for children in Palestine. These programmes are organised during the long summer holidays to engage young people in useful and productive religious, leisure and cultural activities. Due to the economic, political and



social turmoil in the region, the camps give a real opportunity for children to enjoy



their childhood. Separate programmes are conducted for boys and girls, and include first aid,

road safety, arts and crafts, short computer courses, day trips to places of interest and Qur'an Tahfiz sessions. Interpal gives whole-hearted support in recognition of the significance and value of such projects. This year a total of £43,000 was expended to support a number of programmes in Al-Khalil, Al-Aqsa Mosque, Ramallah, Jinin and the Gaza Strip.

School Kit Programme

Interpal aims to provide School Kits for about 6,000 children each year. In addition, the Charity helps children return to school, supports poor pupils and provides grants for needy students

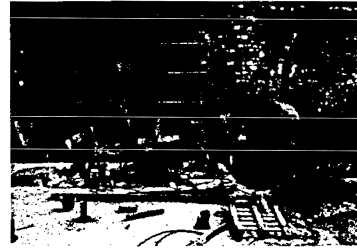


in Palestinian universities. This year, working in conjunction with one of the local charitable organisations in Gaza, Interpal has pledged to contribute towards a Qard Hasanah Revolving Fund. This Fund aims to help about 100 needy students to continue with their undergraduate studies by providing each with a Qard Hasanah of £350 per year in student loans repayable when the students are able to do so. Loans that are repaid are then made available to other needy students to enable them to take up their places at university. In the year 2000 Interpal expended in excess of £60,000 in support of these programmes as well as educational establishments.

Launch of the Interpal Palestine Waqf Fund

In recognition of the importance and significance of the religious and cultural heritage of Palestine, Interpal provides

Renovation work at Masjid al-Aqsa



support for the preservation and maintenance of Masjid al-Aqsa. Following Interpal's commitment to increase the provision of aid for Community Development Projects we launched an appeal in May 2000 to raise funds specifically for development projects. A special *Waqf* Account was opened for this particular purpose. The aim is to encourage donors to contribute towards *Waqf* projects through *Sadaqah Jariyah* donations. Donors will earn rewards from Allah SWT even after their death for as long as the projects are of benefit to the community, *Insha-Allah*. The response to the Appeal has been most encouraging with many donors choosing to give regularly by Standing Order payments. It is hoped that support for this fund will continue to grow in years to come.

For full details on the Palestine *Waqf* Fund, *Sadaqa Jariyah* appeal please contact us on T: 080 2450 8002.

Other Projects

A total £56,000 was expended to support Community Development Programmes including supporting the running costs of local charitable organisations, small scale development projects and Quran Tahfiz Centres.



In excess of £10,000 was expended on the support of Medical Health Projects including the support of treatment costs

through Poor and Needy Medical Funds, as well as provision of medical equipment/supplies.

Financial Report 1999/2000

Interpal's total Incoming Resources for 1999 amounted to £1,630,292. The slight drop in our income compared with the 1998 figure (£1,742,098) was due mainly to the fact that there was an extra fundraising campaign in 1998 (50th anniversary of the occupation of Palestine). In addition, the drop in the result of our Ramadan Campaign could be attributed to our regular supporters diverting their charitable contributions to several causes in response to serious events in other parts of the Muslim world.

It is pleasing for Interpal to report that 87.3% of the above incoming resources, a total of £1,423,276, was spent on direct charitable projects. Of the rest, 7.8% went on indirect charitable expenditure including 3.7% on Fundraising and 4.1% on Administration and Management costs. The remaining 5.2% was retained to be distributed this year.

The bulk (81.2%) of funds spent on direct charitable projects went to Humanitarian Aid, including the Ramadan Food Parcel Project, the Qurbani Meat Project and the Sponsor an Orphan Programme. This is due to the nature of the funds that we received as well as the donors' wishes. Educational projects, including the provision of school kits, assistance for poor and needy students and the building and maintenance of educational establishments received 8.1% of the funds.

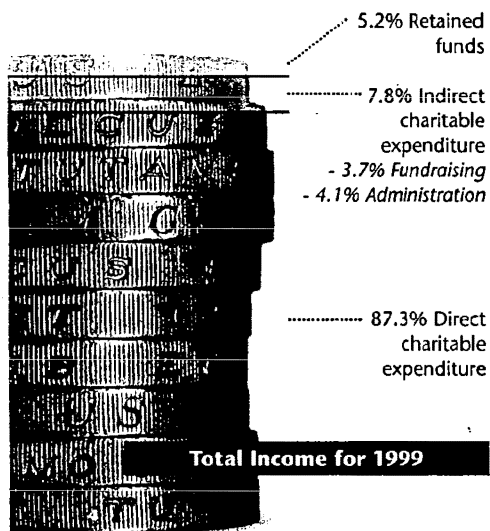
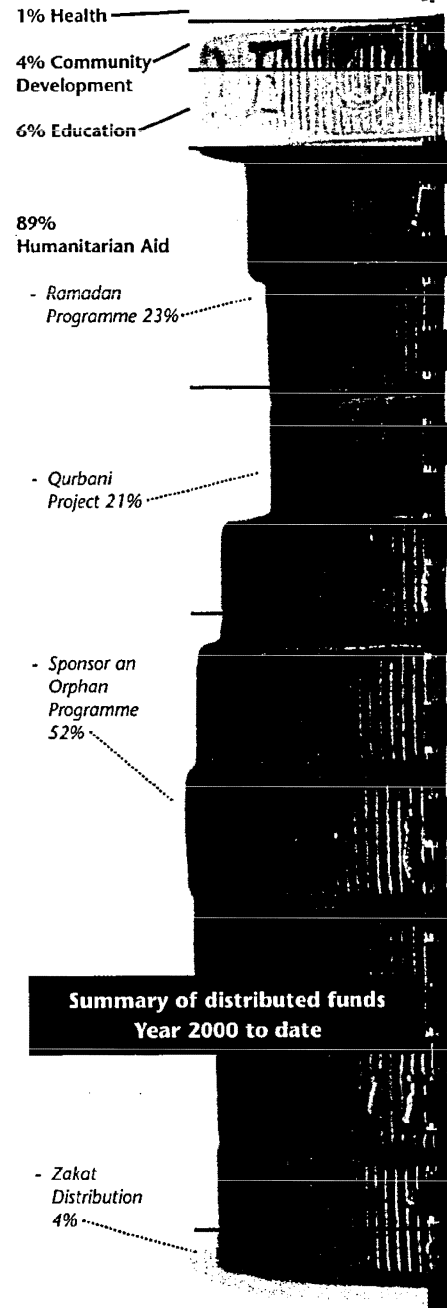
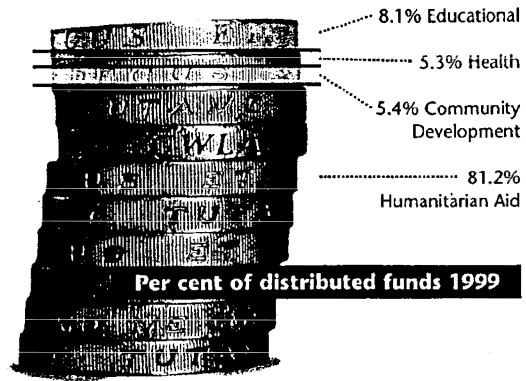
A total of 5.4% was spent on Community Development Projects including small-scale projects, Qur'an Tahfiz Centres and support for local charitable organisations' running costs. Health and Medical Projects, including the purchase of medical equipment and supplies and the treatment costs of needy patients received 5.3% of the funds. In all, 79.9% of the total distributed funds went to the West Bank and the Gaza Strip, 10.9% to Lebanon, 8.4% to Jordan and 0.8% to cases in Britain.

Interpal aims to take positive steps towards raising more funds specifically for development projects as part of a move by the Trustees to increase the number of self-help and other schemes that will help even more needy Palestinians to move away from a dependency culture towards one of self-sufficiency, *Insha'Allah*.

We would like to thank our donors for their contributions during the past year. The Charity has managed to do so much precisely because of the generosity of its supporters. Although so much progress has been made and so many have benefited from Interpal assisted programmes there is nevertheless still much to do in the way of lending support to the poor and needy of Palestine. This is especially true for those in southern Lebanon who face an uncertain future.

Year 2000 Financial Report to date

The projected income for this year is £1.8 million. Of the funds already distributed (£1,568,874) 89% has been distributed in Humanitarian Aid (Of this 23% on the Ramadan Programme, 21% on the Qurbani Project, 52% on the Sponsor an Orphan Programme and 4% on direct Zakat distribution), 6% for Education, 4% for Community Development Projects and 1% for Health Programmes.



The Children of Palestine

The political, geographical, economic and social divide of Palestine since the 1948 Israeli occupation has caused a great upheaval in the lives of thousands of innocent children. Many have been orphaned by direct conflict while others have become orphans due to the trauma and difficulties their parents faced of being poor and helpless to provide for their families. Other children are forced to watch their parents' health deteriorate before their eyes because medical treatment is either unavailable or way beyond their means.

Last year we brought you the story of Samira and her siblings whose mother had died. Their father could no longer carry on the fight to survive and gave up the struggle altogether, leading him to abandon his children. Samira was the eldest, and she was only thirteen. She had no choice but to give up school and care for her younger siblings. They are totally dependent on charity. The response to Samira's plight was immediate. We are most grateful for all the assistance that has come through for Samira and her brothers and sisters, but let us not lose sight of the fact that Samira is only one of many thousands of children whose lives are marked by grief, misery and desolation. We would like to bring you the stories of other children who have little promise of a bright future without the benevolence of those who have been blessed with a little comfort and ease. We hope, insha-Allah, that you will be as quick to respond to their pain and suffering.



Salwa (5025)

Salwa is a little girl not yet 2 years old. She was born in March 1999, four months before her father died. Salwa is the youngest of nine

children whose ages range from 15 years to 19 months, and they live with their mother Khan Younis, Gaza Strip. Salwa's father was one of the lucky ones who had a job across the Green Line inside Israel. Since jobs are scarce within the Gaza Strip itself those with employment across the Green Line are considered to earn considerably more and therefore are quite comfortably off. Salwa's father was able to provide adequately for his large family to the extent that he started to build the family their own house. Work began and the foundations were laid. In time, they managed to build three rooms where they lived while they saved the money to finish the rest of the house. However, Salwa's father was quite ill. Perhaps he was too ill to make the cumbersome journey across the many checkpoints into work each day. Perhaps he did not want his family to bear the burden of caring for him during his illness. Perhaps he was utterly depressed to think about his family's future when he would no longer be able to provide for them. Whatever the reason, Salwa's father took the quickest way out and poisoned himself. All the children except Salwa are still at school. Their mother cannot find employment and they are totally dependent on charity.



Isra (4983)

Isra is from a family of six that lives in the city of Nablus in the West Bank. She is blessed in that her parents are still alive. However, things are not always as they seem in Palestine. Her father's body is riddled with cancer. He remains the family's sole breadwinner, but his illness means that he can only earn a pittance. The only treatment available for the type of cancer that Isra's father suffers from is in Jordan. The physical act of travelling to the hospital in Jordan and the cost of treatment is debilitating. We can hardly imagine the family's anguish as they try to eke out a miserable existence living from hand to mouth. One wonders what goes through twelve year old Isra's mind knowing she could lose her father at any time; that she might be forced to leave school due her family's dire situation; that she might never be able to escape the poverty trap if she has no schooling and no useful skill.



Samer (5012)

Samer is nine years old. His family is a part of the Palestinian refugee population living in the Alrashidia camp in Tyre, Lebanon. Most jobs available to Palestinian refugees in Lebanon are in manual labour, and Samer's father was unemployable because he suffered from Parkinson's

disease. Their situation was therefore extremely bad. Samer's father dreamt of leaving the camp with his family for a better life elsewhere. His one hope was to secure his family's future. However, it was not meant to be. He died earlier this year leaving his wife with three children, all of whom are under the age of ten. Samer spent a lot of time with his father while he was alive, and the two were very close. Needless to say the boy was deeply traumatised by his father's recent death. The death was a great shock to the children, especially Samer who lost the love and sympathy of his father. Samer was very good at school, but his performance has deteriorated since his father's passing. His mother tries her best to encourage him to improve, but it will probably take time before he recovers from the shock. For now the family's economic situation remains critical, and to add to their woes, the mother suffers from a spinal illness and Samer's brother Mahmoud suffers from asthma, needing continued medical attention. The family is obviously in urgent need.



Ahmad (4779)

Ahmad, aged seven, is one of over 1.5 million Palestinians living in Jordan. He has two brothers and two sisters, and they live with their mother in Ramtha. His father was working as a driver before he died. He built a house for the family, but had to take a substantial loan to do so. The family is overwhelmed by the huge debt the father has left upon his death as Ahmad's mother is unemployed and all the children are still young and at school. Also, one of Ahmad's sisters seems to be suffering from epilepsy and the cost of treatment is very high. They live on what little the children's uncles give to them from time to time when they can afford it. Otherwise the family relies heavily on charity. Ahmad's family is fully committed to Islam. Ahmad aspires to become an airline pilot when he grows up and is a distinguished pupil at his Islamic school at the mosque. The family is very poor and has to struggle to survive. It is their faith and the benevolence of charitable people that have sustained them through some of the most difficult times.

The Continuing Need of the Poor and Needy of Palestine

"Since the Palestinian people have not yet obtained an independent and sovereign state in the West Bank, Gaza and Arab Jerusalem, their socio-economic and political situation remains particularly complex and within that context the circumstances of Palestinian refugees are especially unique..."

"...The exceptional condition of Palestinian statelessness and Palestinian dispersal extends itself to all political, economic, social and humanitarian spheres. UNRWA's mandate does not provide protection for Palestinian refugees nor can they appeal to the assistance of UNCHR whose mandate specifically exempts them from its protection. This aberration is particularly significant, not only for refugees living under Israeli occupation in the West Bank and Gaza, but also for those Palestinian refugees who are temporary residents in various countries, mainly Lebanon, Syria and Jordan. Thus, UNRWA's operations in these countries, the refugees' legal status and their rights are subject to host government policies without recourse to international agreements delineating refugee rights..."

"...Strangely, UNRWA does not consider poverty eradication as part of its mandate... Notwithstanding these limitations, all existing data concur that disquieting socio-economic trends are emerging within Palestinian refugee communities as underlined in UNRWA's 1992 report to the UN General Assembly: 'It was disconcerting to see that after 45 years, most of the refugees, not only in Lebanon and the Gaza Strip, but in other fields as well continued to live in extreme poverty. Many families were still deprived of that basic element of life, an adequate shelter, to provide protection from the heat, cold and rain. It was sad to witness that under the pressures of demographic growth

'It was disconcerting to see that after 45 years, most of the refugees, not only in Lebanon and the Gaza Strip, but in other fields as well continued to live in extreme poverty.'

and worsening political, social and economic factors, the standard of living was gradually being eroded even further. The future seemed bleak unless, in the foreseeable future, a political solution ending the plight of the refugees could be found..." excerpt from *Poverty Intensification*

Strategies: The Case of Palestinian Refugees by Leila Zakharia January 1997.

"...Economic problems underlie the need to improve the educational system. There is insufficient governmental or private financial support for quality education. Furthermore, the pressure on families to provide the necessities of life – food, shelter and clothing – causes them to pull children from the educational system into the labour market. According to the Palestinian

Academic Association Society for the Study of International Affairs, almost 18,000 children aged 12-16 are working in the West Bank and

almost 18,000 children aged 12-16 are working in the West Bank and Gaza

Gaza. Most working children spend more than 35 hours a week on-the-job and earn an average of US\$7.00 a day..." taken from the *ANERA Report – Palestinian Education: Challenges to be Met, 1999.*

"At present there are approximately 1,200 NGO's in the West Bank and Gaza Strip, comprising a significant proportion of services delivered to the public. One of the problems perceived by the NGO sector since the peace process, has been that funds have begun to be diverted away from NGO's to the Palestinian Authority... Despite this, NGO's remain significant in a number of sectors. In healthcare, for example, in 1996 NGO providers accounted for 60% of the value of primary health services (World Bank, April 1997). And even with this apparent financial squeeze, it is

estimated that 30% of households access 'charitable institutions' of some form for a variety of reasons (SHDP / Birzeit, 1997, pp. 117)..." extract from *A Critical Analysis of the*

Context, Constraints And Challenges for Sustainable Economic Development in the West Bank and Gaza Strip by Ashvin Dayal, Public Policy Analyst, Oxfam GB.



The plight of Palestinians in Lebanon continues – This half demolished building is inhabited by refugees in Shatila Camp

A Note of Thanks...

...to our donors and supporters for their unstinting support throughout the year in responding so quickly and generously to our campaign appeals.

... to mosque management committees for allowing our mobile fundraising teams to make collections for the benefit of the poor and needy of Palestine throughout the holy month of Ramadan.

... to our wonderful volunteers for their valuable time and effort.

... to the other charitable organisations working with Interpal for their cooperation, trust and continued support.

May Allah (SWT) reward you with nothing less than *Al-Jannah* for your kindness and generosity. Amin.

Appreciation

Our heart felt gratitude goes to, The Islamic Society at the University of Westminster for organising a sponsored walk in support of the Sponsor an Orphan Programme. Brothers Amir, Farid, Suleman, Sisters Fareeha, Hanaan and Sadia have so far raised £1,100 which will support an orphan in Palestine for the next three years. We pray to Allah (SWT) to reward you and all those who participated with the *Janat* (Paradise) as promised by our beloved Prophet (PBUH) who said: *'I and the sponsor of the orphan will be in Paradise like this (showing his index and middle fingers side by side with a slight gap in between),'* Hadith - Sahih Bukhari.

What others say...

The man with no identity

This is the story of Bilal al Qab. At the age of six and a half, Bilal received a birth certificate from the Civil Administration. By bad luck, the certificate did not include an ID number. In the meantime Bilal's father died, so that no one paid any attention to the fact that the boy had no ID number. When Bilal turned 16, his mother and his uncle went to the local Civil Administration office to get him an ID card. They were denied it. The fact that he has another nine brothers and sisters, all of whom have ID cards, made no difference.

Bilal's family tried another tactic: a request for family unification. The native-born boy, who never left the country, whose whole life is here and only here, requested "to be united" with his family, from which he had never been separated. This absurd request was also turned down. A recent report published jointly by two human rights groups, B'Tselem and the Center for the Defense of the Individual, shows that in the West Bank alone more than 13,000 divided families are awaiting unification, and that the average length of time for dealing with each such request is ten years.

When the Palestinian Authority (PA) took over in Tulkarm, the young man thought that together with the absurd drama of the occupation, his bizarre personal situation, that of a person without an identity (or at least without an identity number) would come to an end. But his request for an ID card was denied yet again. Despite the establishment of the PA, Israel approves or rejects such requests. The PA is no more than a mediator, lobbyist or pusher in these cases, moving between Israel and the Palestinian population.

The Palestinians apply to their own Interior Ministry, but as in the case of the one-way glass at Allenby Bridge, where the invisible Israeli policewoman tells the Palestinian policeman out front who shall enter the territory of the PA and who shall be turned back, Israel is involved in every act of registration and in the issuing of every document. It sees everything without always being seen.

Bilal is now a young man of 20 who does odd jobs when he can get them. He had to terminate his studies at the end of 12th grade, as without an ID card he could not sit for the Palestinian high-school matriculation examinations. He rarely leaves his village, for fear of encountering Israeli soldiers who will ask to see his ID card.

Bilal al Qab's story is not exceptional. Officials in the PA's Interior Ministry in Ramallah say that more than 20 percent of requests to register children submitted in the Ramallah area alone have not been handled by Israel, even though the parents paid the statutory fee and provided the necessary documents. About 1,000 children in Ramallah thus are unregistered and have no rights.

But the grotesque and tragic story of Bilal and of those who share his fate raises far deeper questions. Again and again, the question must be asked: until when will Israel continue to administer the affairs of the Palestinians? When will the end arrive for this remote-control occupation that since Oslo has replaced direct occupation yet has changed nothing? When will Israel finally begin to understand that it is none of its business who carries an ID card in Tulkarm or what its number is? And when will Israelis, including the enlightened among them, grasp that the Israeli occupation is still light years from being terminated, despite all the progressive talk about the rights of the Palestinians to their own state, which, lo and behold, is coming into being established before our eyes

By Gideon Levy ~ Ha'aretz, Sunday, November 7, 1999

How you can help

- ✓ Send your donations as often as you can to help the poor and needy in Palestine.
- ✓ Become a volunteer and help to raise funds in your own area.
- ✓ Tell others about Interpal and our work.
- ✓ Tell us of any change of address when you move or leave the country, of any errors in your name, address or postcode, and of any duplicate mailings to your address!
- ✓ Help us by getting your colleagues at work or school/college/university and your family, friends and neighbours to contribute regularly to Interpal projects and campaigns.
- ✓ Keep an "Al-Aqsa collection box" in a prominent place in your home and business to encourage people to donate. Interpal would be happy to supply the collection box upon receipt of a small contribution towards postage and packing costs.
- ✓ Include Interpal as a beneficiary when you are organising charity bazaars and fund-raising events. We can let you have leaflets, posters and videos for display and distribution, and we would be happy to supply a speaker (subject to availability) to talk about Palestine and the work of Interpal.

Methods of Payment

Postal donations in the form of cheques or postal orders, payable to Interpal, can be sent to: Interpal PO Box 3333, London NW6 1RW.

Your donations can be given as *Zakat*, *Sadaqah*, *Sadaqah Jariyah*, *Lillah* or simply as a general donation.

We accept telephone donations using most major credit cards on Tel: 020-8450 8002.

We also accept CAF card and CAF cheque donations.

Alternatively, you can make a deposit directly into our bank account at:

National Westminster Bank plc,
Finsbury Park Branch, 298, Seven
Sisters Road, London, N4 2AF.
(Sort Code 60-08-22,
account number 95142940)

Tax saving schemes

If you are a UK taxpayer you may help us further, at no extra cost to you, as we can reclaim the tax already paid by you on any donation of any amount or frequency (made by cash, cheque, credit card or postal order) or regular payments (made by Standing Order) made under the Gift Aid scheme. All you need to do is to file a Gift Aid Declaration with us (forms are available on request). Alternatively, you may like to approach your employers to set up a Give As You Earn plan for you. Details are available either from your employer, Interpal, the Inland Revenue or the Charities Aid Foundation.

Volunteers

If you think you can assist Interpal in any way, or would like to become a volunteer operating in your own area or at our office, please contact us at the address above.

An Interpal volunteer distributes Qurbani meat in Gaza



The Interpal Chairman receives a plaque in recognition of continuing Interpal support in Lebanon



A 'Managerial Skills' training seminar supported by Interpal for local charity staff



An Interpal Trustee supervises the canning process for Qurbani 2000 - New Zealand



For more information on any of Interpal's campaigns or projects please get in touch. Or look out for our leaflets.

Interpal:

Palestinian Relief & Development Fund
PO Box 3333, London, NW6 1RW
Tel: 020-8450 8002 Fax: 020-8450 8004
e-mail: info@interpal.org

Interpal Online: www.interpal.org
Registered Charity No. 1040094

This Update has been generously sponsored by:



IslamiQ.com

**Your gateway to
Islamic finance**

Web site: www.islamiq.com ~ E-mail: info@islamiq.com
Tel: 020 7663 5609 ~ Fax: 020 76635927

Palestinians Relief & Development Fund



Interpal

*Annual Return and Audited Accounts
For the Financial year 2001*



Contents

Page

Section 1

Legal & Administrative Information

• Charity Registration	3
• Interpal Board Of Trustees	3
• Whom To Contact	3
• Areas Of Operation	3
• Primary Areas Of Operation	3
• The Main Areas Of Interpal's Work	3
• Auditors	3
• Bankers	3
• Solicitors	3

Organisational Structure, Objectives & Policies

• Interpal Aims & Objectives	4
• The Organisational Structure	4
• Towards Achieving Stated Objectives: Interpal Activities	4
• Statement Of Interpal Policies	5
• Policy On Reserves (Funds Carried Forward)	5
• Policy On Investment Performance	5
• Grant-making Policy	5
• Administration Costs	6
• Policy On Allocating 80% Of Distributed Funds To Provide Humanitarian Aid	6
• Applications From Individuals	6
• Gifts In Kind	6

Special Note: Restricted And Unrestricted Funds 7

Trustees' Report

Interpal Activities & Achievements In The Year 2001

• Introduction	8
• Interpal Joint Efforts	8-9
• I'tilaf Al-khayr – Union For Good 101 Days Palestine Campaign	9
• Union For Good (Uk)	9
• Aid To Jordan And Lebanon	10

Comments On The Statement Of Financial Activities

• Incoming Resources	10
• Distribution Of Funds & Expenditure	10
• Analysis Of Direct Charitable Expenditure	10-11
• Grants To Individuals	11
• Funds Carried Forward	11
• Statement Of Financial Activity & Accounting Policies	11-12

Section 2

Statement of Financial Activities

Section 3

Distribution of funds and beneficiaries

SECTION 1

LEGAL & ADMINISTRATIVE INFORMATION

Palestinians Relief & Development Fund also known as INTERPAL

CHARITY REGISTRATION

- NUMBER 1040094 (constituted by Charitable Trust governed by Trust Deed)
- GOVERNING DOCUMENT Trust Deed
- DATE LAUNCHED 5th November 1994
- ADDRESS: P. O. BOX 3333, London, NW6 1RW, England
- TELEPHONE NO: 020-8450 8002
- FAX NO: 020-8450 8004
- E-MAIL: info@interpal.org
- WEBSITE: www.interpal.org

INTERPAL BOARD OF TRUSTEES

- **TRUSTEES** Mr. Ibrahim Brian Hewitt (Chairman), Mr. Essam Yousef Mustafa (Vice-Chairman & Managing Trustee), Mr. Shahan Izzat Husain (co-Vice-Chair), Mr. Ismail Yusuf Ginwalla, Mr. Mahfuzh Safiee and Mr. Ghassan Faour.
- **Method of trustee appointment/election**
The Trust Deed provides, "Every future Trustee shall be appointed by a Resolution of the Trustees passed at a special meeting called by the Chairman or any two Trustees upon not less than twenty-one days' notice being given to the other Trustees of the appointment of a new Trustee," (Article E).
- **Details of specific investment powers**
The Trust Deed provides that the Trustees have the power "to permit any investments comprised in the Trust Fund to be held in the name of any Clearing Bank, and Trust Corporation or any Stock Exchange (or any subsidiary of such a stock Broking Company) as nominee for the Trustees and to pay any such nominee reasonable and proper remuneration for acting as such," Article D (xviii).

WHOM TO CONTACT

- INTERPAL Chairman: Mr. Ibrahim Brian Hewitt
- Vice-Chairman & Managing Trustee: Mr. Essam Yousef Mustafa

AREAS OF OPERATION

- Worldwide

PRIMARY AREAS OF OPERATION

- Palestine
- Refugee Camps in Jordan and Lebanon

THE MAIN AREAS OF INTERPAL'S WORK

- Humanitarian Aid
- Education
- Community Development
- Health

AUDITORS

M. Yunis and Co., Chartered Accountants-Registered Auditors

Address: 320A Romford Road, London, E7 8BD

BANKERS

NatWest Bank Plc.

Finsbury Park Branch

Sort code: 60-08-22

Address: 298 Seven Sisters Road, London, N4 2AF

SOLICITORS

Rafina Solicitors

Address: 795 Harrow Road, Sudbury Town, Middlesex, HA0 2LR

Organisational Structure, Objectives & Policies

INTERPAL AIMS & OBJECTIVES

INTERPAL was founded as a Charitable Trust governed by a Trust Deed to aid, assist, guide and comfort poor and needy Palestinians in INTERPAL's area of benefit which is the United Kingdom and overseas, but primarily in the West Bank and Gaza, Jordan and Lebanon. Its aim is also to relieve the hardship of these distressed persons, to provide them with protection from the elements, to promote good health within their community, to assist them in the advancement of education and to provide social welfare facilities and services in co-operation with the other charitable organisations (Articles B and C of the Trust Deed).

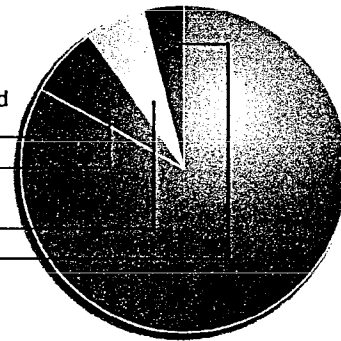
THE ORGANISATIONAL STRUCTURE

The INTERPAL Board of Trustees bears the responsibility of formulating and implementing the Charity's policies. It oversees the overall management and the day-to-day running of the organisation. In addition to powers such as providing grants to help alleviate poverty, the Trustees have the power to establish and support development and rehabilitation projects, encourage employment and self-dependency, and construct, maintain and support holy places. The Board of Trustees must always have a minimum of five and a maximum of eleven members at any one time. Every future Trustee shall be appointed by a Resolution of the Trustees passed at a special meeting called by the Chairman or any two Trustees upon not less than twenty-one days' notice being given to the other Trustees of the appointment of a new Trustee.

TOWARDS ACHIEVING STATED OBJECTIVES: INTERPAL ACTIVITIES

INTERPAL focuses on four main areas of need within which many programmes and projects are established and supported in co-operation with the many charitable organisations. More than 80% of the funds distributed by INTERPAL have been used for strictly humanitarian purposes (about 7% for Education, 6% Community Development and 4% Health & Medical. See chart below). This is a reflection of the needs of the Palestinians and the nature of the donations received by INTERPAL. Since the provision of educational, health and development facilities are now the responsibility of the relevant state authorities in Palestine, INTERPAL has more of a secondary than a primary care role. In fact, INTERPAL views the current situation as one requiring relief and assistance for a growing population faced with abject poverty and deprivation. The four main areas mentioned above and the five-year average percentage of income allocated to each are listed below:

- a) Humanitarian Aid (83%)
- b) Education (7%)
- c) Community Development including Maintenance of Holy Sites (6%)
- d) Health & Medical (4%)



The four main areas mentioned above and the five-year average percentage of distributed income allocated to each are listed below.

The mainstays of INTERPAL's fund raising work are its four major programmes. These are the Ramadan and Qurbani Campaigns, and the School Kit/Palestine Education Project that are launched annually; and the ongoing Sponsor an Orphan and Sponsor a Family Programmes. Additionally, INTERPAL tries to send delegations to Palestine as a means to ensure transparency and accountability of its operations, and launches special appeals as and when the need arises. This includes the organisation of events such as charity bazaars and fund raising dinners.

Allocation of Distributed Income

Organisational Structure, Objectives & Policies

STATEMENT OF INTERPAL POLICIES

- **Policy on Reserves (Funds Carried Forward)**

Usually no more than 10% of INTERPAL's funds are rolled over for expenditure in the following financial year. This is to cover costs while income is being generated through the Charity's normal activities during the next year. However, it sometimes happens that due to the nature of INTERPAL's campaigns much of the funds are generated towards the end of the financial year. In such cases more than the 10% would be rolled over to the following year for distribution.

- **Policy on Investment Performance**

The Trustees are keen that the investments perform well in any given financial year. The only investment INTERPAL Trustees have made was the purchase and refurbishment of 2 freehold properties costing £110,000 in total. These are now worth about £125,000, and have generated an income of about £25,000 over the last 2 years. The decision to invest in real estate was because the risk factor is lower.

- **Grant-Making Policy**

Grant-making is material to INTERPAL as 80% of incoming resources are distributed in furtherance of the Charity's objects. INTERPAL works in partnership with other like-minded charitable organisations in order to achieve its aims and objectives to provide relief and development aid to the people of Palestine. This is to increase efficiency and avoid duplication ensuring maximum benefit for Palestine's poor and needy. INTERPAL's commitment to Public Accountability and Transparency means that it only deals with bona fide organisations, not individuals, which are duly registered by the appropriate authorities in their own countries.

INTERPAL has contact with over 40 Zakat committees and charitable organisations in its primary areas of operation. All of them are highly trusted and respected. They are INTERPAL's partners on the ground who are best placed to assess the needs of the people, and give advice accordingly. They are responsible for implementing the projects INTERPAL chooses to support. Further, INTERPAL's work with these local partners is subject to a strict Funding Agreement to ensure the proper end use of funds as specified. Once it has been established that an organisation meets the conditions INTERPAL has laid down, it is happy to deal with them, and consider any project proposals they may wish to present. However, INTERPAL's decision to allocate funds is based solely on the needs for and the merits of the project.

The alleviation of poverty and need are the only criteria used when deciding how the INTERPAL's funds should be allocated. Most of the projects INTERPAL supports are those which provide humanitarian relief mainly in the form of food parcels and sponsorship of orphaned, needy and disabled children. It is worth noting here that the Funding Agreement is revised periodically to take into consideration changes in the law and the situation in INTERPAL's areas of operation. Where necessary changes are made, and the local partners are required to complete and return a signed copy of the new agreement.

Many Palestinian families are without breadwinners



The difficulty faced by disabled Palestinian children trying to get to school.



Organisational Structure, Objectives & Policies

- **Administration Costs**

It is INTERPAL's policy not to deduct Administration Costs from specified donations, although we have the right to do so under charity practice rules and regulations. Therefore, if a donation is specified as Zakat, orphan sponsorship or Qurbani for example INTERPAL will not make any deduction towards Administration Costs from it. The Charity meets its Administration Costs, which for the last 7 years have been less than 10% of the total annual budget, from the following sources:

- Donations into our Administration Account
- Unwanted interest money (used for rent, electricity, office supplies etc. See below.)
- Tax reclaimed from Inland Revenue schemes such as the Gift Aid.
- Unspecified donations.

- **Policy on Allocating 80% of Distributed Funds to Provide Humanitarian Aid**

Due to the nature of donations received and the wishes of the donors, about 80% of INTERPAL's funds are used to provide humanitarian aid. INTERPAL defines Humanitarian Aid as emergency relief, medical supplies, food (including Qurbani meat), shelter and clothing, and the provision of moral and financial support through sponsorships of the poor and needy, orphans, widows and families of detained persons and those who are unemployed due to illness, disability and as the result of civil or military action or national disasters. The aid INTERPAL provides include food parcel, Zakat distribution and the provision of hot meals during the breaking of fast at the Al-Aqsa Mosque and other centres during Ramadan, and the staggered distribution of fresh, frozen and canned Qurbani meat over the 9 months or so after the 'Eidul-Adha celebrations.

- **Applications from Individuals**

Although it is INTERPAL's stated policy to only deal with other bona fide charitable organisations and not individuals in order to achieve its aims and objectives to provide relief and development aid to the people of Palestine, the Board of Trustees may exercise their discretion in certain hardship cases to allocate funds to individual applicants in the UK or outside Palestine at the time of the application. The individual must produce evidence of hardship and provide character references as well as other relevant documents (e.g. evidence of current visa status, medical condition or enrolment at a bona fide educational establishment where appropriate).

Most of the applicants are either students studying abroad, or those seeking medical treatment abroad. The funds allocated to such individuals are generally small. However, where donors have contributed funds for a specific individual this amount may be higher than what INTERPAL Trustees would otherwise allocate. In the case of persons receiving medical treatment the funds are paid directly to the medical establishment and receipted accordingly. Distributions to individuals must always be acknowledged in writing.

- **Gifts In Kind**

INTERPAL does not normally seek nor receive gifts in kind apart from when the Charity is organising events such as a charity bazaar when items are needed for sale (food items mostly). However, such events are rarely organised (usually only once or twice a year at most).

Road blocks and closures mean long treks on foot for most Palestinians trying to go about their daily business.



A little boy sifts through what is left of a school in Palestine.



An old Palestinian woman looking in utter dismay at what is happening around her.



SPECIAL NOTE: Restricted and Unrestricted Funds

INTERPAL's Incoming Resources are best described as Unrestricted funds expendable at the discretion of the Trustees in furtherance of the objects of the charity. Although INTERPAL has set up a number of separate sub-bank accounts as well as a system to record the specifics of the donations received, this is totally for administrative purposes in order to facilitate the proper dispensation of the moral as well as the religious obligations of the Trust.

INTERPAL's donor-base is founded primarily (but not exclusively) in the Muslim community. Hence, approximately 80% of donation specifications are usually religious in nature i.e. Zakat and Fitrana (poor-due), Sadaqah (alms for the poor and needy), Lillah (contributions for the sake of Allah SWT) and Qurbani (donations for the purchase and sacrifice of livestock where the meat is to be distributed to the poor).

In the case of Fitrana and Qurbani classifications, the Trustees are obliged to make arrangements to dispense with the funds in accordance with the religious requirement of time restrictions i.e.: Fitrana must reach the needy before the end of Ramadan, and the Qurbanis must be performed within the specified 4 days of 'Eidul-Adha.

INTERPAL's Expenditure of Funds is, however, restricted to the designated charitable projects. The Beneficiaries, all bona fide charity organisations, are obliged to expend the funds strictly in accordance with the purpose they are allocated. INTERPAL has a well-established control procedure to ensure full accountability to its donors.



"Families whose homes have been destroyed are now reduced to living in tents.



A Palestinian child who has been fortunate enough to receive medical treatment.



The cry of the young that reflects the anguish of a people.

TRUSTEES' REPORT:

Palestinians Relief & Development Fund also known as INTERPAL

INTERPAL ACTIVITIES & ACHIEVEMENTS IN THE YEAR 2001

INTRODUCTION

The year 2001 saw the continuation of the Al-Aqsa Intifada. Much-appreciated relief contributions from INTERPAL's donors were needed then as much as when the crisis began. The rate of unemployment rose, and the number of those living below the poverty line increased to over 50%. Added to this were the effects of prolonged curfews and movement restrictions on the population's mental and physical well being. Children suffered, physically and psychologically, more than most. Many have been deeply traumatised, while others still are permanently disabled, and need special equipment if they are to have a reasonable life. The majority of Palestinians believed that the worst was yet to come, and braced themselves for even more difficulties ahead.

INTERPAL's good and close relations with its partners on the ground meant that the channel of communication was open on a daily basis. INTERPAL was kept well informed of the humanitarian situation in Palestine. The Charity was therefore able to respond immediately to any humanitarian crisis that was unfolding. When the need was great INTERPAL took immediate steps to transfer funds required to provide emergency aid. Not only that, INTERPAL was also able to make urgent appeals to its funding partners, and act as co-ordinator in the distribution of funds to avoid any duplication in the support that was being given to the Palestinians.

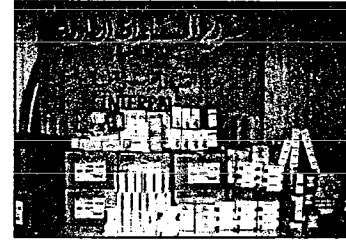
INTERPAL JOINT EFFORTS

Our relief and development efforts continued throughout 2001. Together with our partners around the world we sought to provide comfort to those in need, working in line with our commitment to increase efficiency. We also continued to honour our pledge regarding public accountability.

By the end of the year INTERPAL distributed more than **£3.8 million** as a result of joint projects with our partners. About **£2.8 million** was spent on Humanitarian Aid of which in excess of **£1 million** was distributed as part of our Sponsor an Orphan Programme, providing support for at least 3,600 orphans. Approximately **£580,000** was distributed as part of our Ramadan Campaign to provide Collective Iftars, Food Parcels containing essential food items, 'Eid gifts and clothes for children, and Zakat distribution. Also, more than **£1 million** was spent in response to the Emergency Relief Programme which included the provision of Emergency Food Parcels and Medical Supplies.

The funds for the Qurbani Project amounting to just over £260,000 are part of the total spent in the humanitarian field (part of INTERPAL's food distribution programme). More than 17,000 Qurbanis were performed, both inside and outside Palestine. The meat was distributed across the West Bank and Gaza, Jordan and Lebanon.

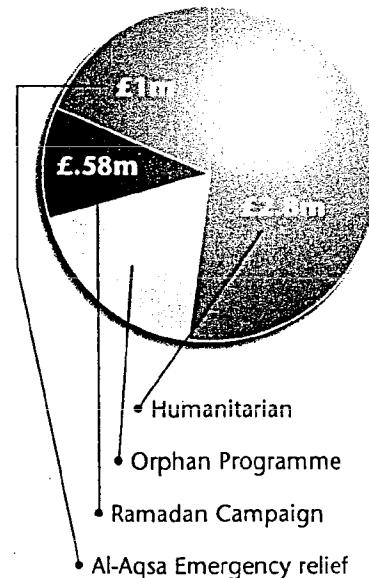
Medical supplies sponsored by Interpal.



Sheep purchased in Palestine as part of Interpal's Fresh Qurbani Meat Programme 2001.



Distributed Income 2001.



TRUSTEES' REPORT:

In addition, about £150,000 was spent on Education to provide school kits for orphans and needy children, to support summer education programmes, to provide financial assistance for needy university students, and to establish local nursery schools and kindergartens. We expended just over £180,000 on Community Development projects including support for local charities, water projects and disability rehabilitation programmes. INTERPAL also distributed nearly £350,000 in the Health and Medical field to provide such things as medical equipment and subsidies of treatment costs for the poor.

The £3.8 million that INTERPAL distributed in 2001 is a reflection of the support Palestinians in need have received through charities like it. However, what needs to be remembered is that it is also a reflection of the overwhelming need of poor and needy Palestinians who are suffering untold miseries during these difficult times. INTERPAL wishes to thank all its donors for their support. Without them none of the Charity's work would have been possible.

I'TILAF AL-KHAYR – UNION FOR GOOD 101 DAYS PALESTINE CAMPAIGN

In response to the crisis in Palestine in 2001, INTERPAL and other charities overseas strengthened our mutual commitment by pooling resources in aid of the poor and needy of Palestine. The result was the formation of an informal international platform of co-ordinating organisations called the I'tilafu al-Khayr (Union for Good). The Union launched a joint campaign in May 2001 called the 101 Days Palestine Campaign. The philosophy behind the Campaign was to raise public awareness of the ongoing humanitarian tragedy being enacted before the eyes of the world in Palestine, to ease the effects of curfews imposed on the Palestinian people, and helping to find realistic alternatives to the more 'traditional' type of health and medical, education, and other services (for example the Union helped to provide medical supplies and equipment to small neighbourhood medical centres or clinics to enable them to give first aid attention to those prevented from crossing checkpoints to get to hospitals in the cities).

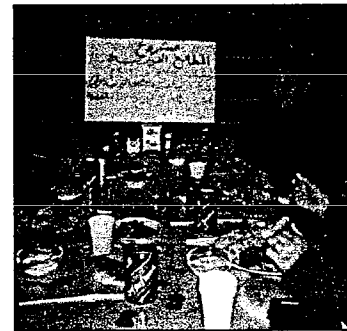
INTERPAL and other members of the Union pledged some £1 million for the 101 Days Palestine Campaign. The first instalment of £350,000 was allocated for the rebuilding of demolished homes, and to fund labour intensive projects that provided jobs for the unemployed thus allowing them to provide for their families with dignity. The rest were distributed throughout the year to help with other projects such as tree planting and supporting local farmers by buying their produce to distribute as part of the Campaign's food aid programme.

UNION FOR GOOD (UK)

Building upon the success of the international Union for Good, INTERPAL and six other British Muslim charities formed the Union for Good (UK). Like the international Union, the UK Union was no a formal entity. Made up of INTERPAL, Families Relief, Human Appeal International, Human Relief Foundation, Islamic Relief, Muslim Aid and Muslim Hands, the UK Union launched a joint appeal in June 2001.

INTERPAL continued to play a significant role in both of these joint efforts, and took other steps to inform the British community of the humanitarian crisis in Palestine. This included working with mosques, Islamic and cultural centres and other organisations in charity events across Britain. INTERPAL is grateful to everyone who organised functions and events to raise funds for Palestinians in need.

Feed the fasting: Collective Iftars provided by Interpal.



Interpal supports local Palestinian farmers and producers by buying fresh local produce from them to distribute to the poor and needy as part of its Food Parcel Programme. This helps to revitalise the economy.



TRUSTEES' REPORT:

AID TO JORDAN AND LEBANON

For Interpal helping Palestinians in need stretches far beyond Palestine. The people Interpal are trying to provide aid for include those living in the refugee camps in Lebanon and Jordan where the level of poverty among Palestinian refugees is about 70%. Whilst the focus has been on providing emergency aid and other relief to those inside Palestine, INTERPAL has not forgotten those outside. The total distribution of aid in the 4 fields of operation (Humanitarian, Education, Community Development and Health & Medical) includes the funds distributed in Lebanon and Jordan. £236,463 was distributed in Lebanon, and £303,953 was spent on projects in Jordan.



Non-perishable food items: part of the contents of Interpal sponsored Food Parcels.

COMMENTS ON THE STATEMENT OF FINANCIAL ACTIVITIES

INCOMING RESOURCES

Most of INTERPAL's funds have been generated by fund raising appeals to the public and our funding partners both in the UK and abroad through our annual campaigns. Investment income from rents received is significantly small compared to the funds raised from the annual campaigns. INTERPAL's total Incoming Resources for the year 2001 amounted to over £4 million. This rise on 2000's income may be due to 3 factors:

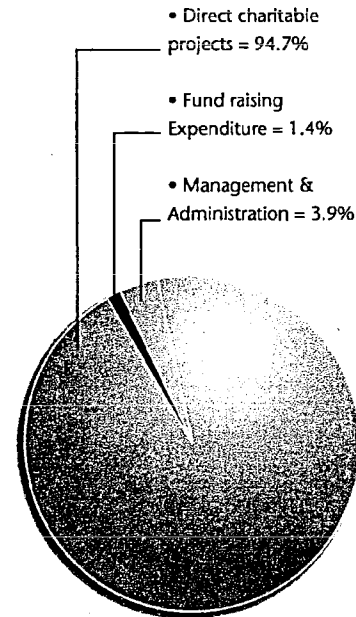
- a) the growing recognition of INTERPAL's abilities and role as a specialised charity working for the benefit of Palestinians in need. INTERPAL has therefore become a reference point for many charities and organisations wishing to contribute to the efforts to help alleviate the suffering of a people facing a great humanitarian crisis;
- b) a portion of the funds pledged and received from the international and UK Unions for Good were managed by INTERPAL as one of the major co-ordinators of the whole campaign; and
- c) media coverage of the Palestinian issue after the events of 11 September 2001 meant that more people began to realise the scale of the humanitarian crisis in Palestine, and many were moved to make more or larger donations;

DISTRIBUTION OF FUNDS & EXPENDITURE

The bulk of Incoming Resources amounting to about £4 million was expended in the year 2001. Of this, 94.7% was spent on direct charitable projects; 1.4% represents the portion used for fund raising expenditure, and 3.9% was spent on management and administration. Only £1,550 was expended on Trustees' expenses which represents the total figure for travel (£1,376) and accommodation (£174).

ANALYSIS OF DIRECT CHARITABLE EXPENDITURE

In 2001, 364 grants were made by INTERPAL to the total value of £3,792,764. Of these 352 grants were made to institutions and just 4 were made to individuals. The high rate of unemployment, the collapse of many industries and the restrictions on movement in Palestine at that time meant that thousands were reduced to poverty. Many depended on aid agencies for food, shelter, medical treatment and financial assistance to pay for their electricity and water supply, and so on. Therefore, most of the project applications INTERPAL received in 2001 were appeals for humanitarian aid.



Breakdown of Annual Expenditure 2001.

TRUSTEES' REPORT

The bulk of the direct charitable expenditure (82%) went to Humanitarian Aid (including the Ramadan Food Parcel Project, the Qurbani Meat Project and the Sponsor an Orphan Programme). The total spent on the Sponsor an Orphan Programme doubled due to the co-operation agreement INTERPAL made with the World Assembly of Muslim Youth, Saudi Arabia (see above). Educational projects, including the provision of school kits, assistance for poor and needy students and the building and maintenance of educational establishments received about 4% of the funds.

Community Development Projects including small-scale projects, Qur'an Tahfiz Centres and support for local charitable organisations' running costs received 5% of the total value of grants made in 2001. Health and Medical Projects including the purchase of medical equipment and supplies and the treatment costs of needy patients received 9% of the funds.

In all, over 85% of the total distributed funds went to the West Bank and the Gaza Strip, 6.2% to Lebanon, 8% to Jordan and less than 1% to the United Kingdom.

GRANTS TO INDIVIDUALS

A total of 6 grants were made to individuals. Three were for £750 or less, but one was considerably more as the funds came from a donor who specified the value of the grant as well as its beneficiary.

Full details of all grants made by INTERPAL to institutions are contained in the Distribution of Funds & Beneficiaries section. The beneficiaries are listed in descending order according to the value of the grant/s made to them.

FUNDS CARRIED FORWARD

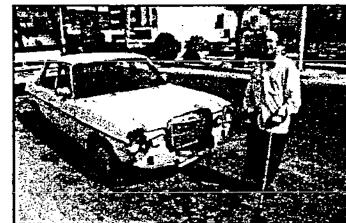
It is INTERPAL's policy to retain some funds for distribution the following year. The figure for the year 2001 is about £2.3 million due to the fact that as a result of the nature of INTERPAL's campaigns much of the funds were raised during the latter part of the year for distribution in the next year.

STATEMENT OF FINANCIAL ACTIVITY & ACCOUNTING POLICIES

INTERPAL has taken every effort to present its accounts in accordance with the Charities' Statement of Recommended Accounting Practice (SORP). It is hoped that with the Special Note included in the Audited Accounts this will comply with the requirements.

The year 2001 has been significant in more ways than one for INTERPAL. As the humanitarian crisis in Palestine intensified the need of the poor and needy grew to unimaginable levels. Due to the media attention from September onwards the level of awareness continued to increase. As a result, the response from the public continued to be good. INTERPAL's policy and objective to co-operate and co-ordinate with other charitable organisations also bore fruit. This is best illustrated by the significant increase in funds received and distributed with regard to the Union for Good 101 Days Palestine Campaign projects.

Beneficiaries of Interpal's Small Loans Project in Lebanon. Interpal's help has made a great difference in their lives.



TRUSTEES' REPORT:

INTERPAL is greatly indebted to all its donors for their practical and moral support throughout 2001. The Charity is overwhelmed by their trust in the organisation and would like to express its sincere appreciation of their generosity. The Trustees would also like to note their appreciation of the hard work and dedication of INTERPAL's staff and volunteers.

Approved by the Board of Trustees.

Signed on behalf of the Board;



Shahan I. Husain
Vice-Chairman

Date: 29.11.02



Some of the recipients of Interpal's
canned Qurbani meat, 2001.

SECTION 2

PALESTINIAN RELIEF AND DEVELOPMENT FUND
INTERPAL

STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2001

CONTENTS	PAGE
General Information	1
Auditors' Report	2
Statement of Financial Activities	3
Balance Sheet	4
Notes to the Financial Statements	5 - 7

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL
FOR THE YEAR ENDED 31ST DECEMBER 2001

GENERAL INFORMATION

REGISTERED CHARITY

Charity Registration Number : 1040094

BOARD OF TRUSTEES

Mr. I.B. Hewitt
Mr. E.Y Mustafa
Mr. G. Faour
Mr. I.Y. Ginwala
Mr. S.I. Husain
Mr. M. Safiee

BANKERS

National Westminster Bank Plc
286 Seven Sisters Road
Finsbury Park
London
N4 2BW

AUDITORS

M. Yunus & Co.
Chartered Accountants
Registered Auditors
320a Romford Road
London E7 8BD

AUDITORS' REPORT TO THE TRUSTEES OF
PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL
FOR THE YEAR ENDED 31ST DECEMBER 2001

We have audited the attached financial statements which have been prepared under the historical cost convention and the accounting policies set out on page 5.

RESPECTIVE RESPONSIBILITIES OF EXECUTIVE COMMITTEE AND AUDITORS

As described on page 5, the Executive Committee is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the executives in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the Charity's affairs as at 31st December 2001 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the constitutional and Charities Act 1993.

M. Yunus & Co.
Registered Auditors & Chartered Accountants
320a Romford Road, London E7 8BD

PAGE 3

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31ST DECEMBER 2001

	Notes	2001	2000
Incoming resources before transfers and revaluations			
Donations received - unrestricted	4	4,287,935	3,292,864
Investment Income:			
Rent receivable		7,995	9,000
Total incoming resources		4,295,930	3,301,864
		=====	=====
Resources expended			
Direct charitable & fund raising expenditure:			
Aid, relief & education, etc.	5	3,792,764	1,938,646
Fund raising expenditure	6	57,004	57,382
		-----	-----
		3,849,768	1,996,028
Indirect expenditure:			
Management and administrative expenditure	7	154,191	83,000
Total expenditure		4,003,959	2,079,028
		=====	=====
Net income resources for the year		291,971	1,222,836
Total funds brought forward		1,963,213	740,377
Total funds carried forward		2,255,184	1,963,213
		=====	=====

The notes on pages 5 to 7 form part of these financial statements.

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

BALANCE SHEET AS AT 31ST DECEMBER 2001

	Notes	2001	2000
FIXED ASSETS			
Fixed Assets	8	110,235	114,160
CURRENT ASSETS			
Debtors & Prepayments		7,206	3,500
Cash at Bank and in Hand		2,150,796	1,860,525
		-----	-----
		2,158,002	1,864,025
		=====	=====
CURRENT LIABILITIES			
Creditors & Accruals		13,053	14,972
		=====	=====
NET CURRENT ASSETS		2,144,949	1,849,053
		-----	-----
NET ASSETS		2,255,184	1,963,213
		=====	=====
CAPITAL RESERVE			
Reconciliation of Funds (Unrestricted funds)			
Total funds brought forward		1,963,213	740,377
Net movement in funds for the year		291,971	1,222,836
		-----	-----
Total funds carried forward		2,255,184	1,963,213
		=====	=====

Approved by the Committee:

Chairperson.....

SGW
Vice Chair

29.11.02

INTERPAL

المندوب الفلسطيني للمساعدة والتنمية
HELPING PALESTINIANS IN NEED
REGISTERED CHARITY NUMBER 1040094

The notes on pages 5 to 7 form part of these financial statements.

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2001

1. ACCOUNTING POLICIES

a) Basis of Accounting:

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

The accounts have been prepared in accordance with the Statement of Recommended Practice for charity accounts.

b) Income

Voluntary income and donations are accounted for as received by the charity.

c) Depreciation:

Depreciation is provided, after taking account of any grants receivable, to write off the cost or valuation of the fixed assets including assets subject to hire purchase contracts over their expected useful lives on the following annual rates on cost in first year and on written down value thereafter:

Freehold Properties	2% on Cost
Fixtures and fittings	25% on WDV
Equipment	25% on WDV
Motor Vehicles	25% on WDV

d) Foreign currency translation

Income received from overseas and costs incurred in foreign currency are translated at the average rate during the year.

Balances with banks at the end of the financial year are translated at the closing rate.

	2001	2000
Average rate - £1 = US\$	1.55	1.55
Closing rate - £1 = US\$	1.55	1.55

2. RESPONSIBILITIES OF EXECUTIVE COMMITTEE

The Executive Committee is required to prepare financial statements for each financial year which give a true and fair view of the charity's state of affairs at the end of the year and income and expenditure for the year then ended. In preparing those financial statements, the Committee is required to select suitable accounting policies and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Committee must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operations. The Committee is responsible for keeping proper accounting records which disclose at any time the financial position of the charity and to enable it to ensure that the financial statements comply with the charity's constitutional and legal provisions. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2001

3. PARTICULARS OF EMPLOYEES

The average number and aggregate payroll costs of staff employed during year:

	No.	2001	No.	2000
Number of employees:				
Under £20,000	7	76,983	11	43,698
Between £20,000 - 40,000	1	26,575	1	24,436
		-----		-----
		£103,558		£68,134
		=====		=====

4. INCOMING RESOURCES

The charity's income resources are classified as un-restricted funds.

	2001	2000
5. DIRECT CHARITABLE EXPENDITURE		
Aid for Palestine	3,236,148	1,522,602
Aid for Palestinians in Jordan	303,953	151,910
Aid for Palestinians in Lebanon	236,463	176,142
Education & other grants - UK	16,200	87,992
	-----	-----
	3,792,764	1,938,646
	=====	=====

6. FUND RAISING & PUBLICITY

Campaign & travelling	57,004	57,382
	-----	-----
	57,004	57,382
	=====	=====

7. MANAGEMENT & ADMINISTRATIVE EXPENDITURE

Premises & office expenses	40,988	27,192
Staff costs	103,558	68,134
Audit fees	2,500	1,400
Bank charges	3,279	3,175
Depreciation	3,925	4,486
Exchange loss/(Gain)	(59)	(21,387)
	-----	-----
	154,191	83,000
	=====	=====

PALESTINIAN RELIEF AND DEVELOPMENT FUND-INTERPAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2001

8. INTANGIBLE & TANGIBLE FIXED ASSETS

	Opening Balance	Additions	Disposals	Closing Balance
COST OR VALUATION				
Freehold Properties	111,890	-	-	111,890
Fixtures & Fittings	3,392	-	-	3,392
Equipment	23,175	-	-	23,175
	138,457	-	-	138,457
DEPRECIATION				
Freehold Properties	4,476	2,238	-	6,714
Fixtures & Fittings	2,788	151	-	2,939
Equipment	17,033	1,536	-	18,569
	24,297	3,925	-	28,222
NET BOOK VALUE				
Freehold Properties	107,414			105,176
Fixtures & Fittings	604			453
Equipment	6,142			4,606
	114,160			110,235

SECTION 3

Summary of Funds Distributed in 2001

Total Number of Grants					
	Humanitarian Aid	Medical	Community Development	Education	Total
Individuals	1	-	-	5	6
Institutions	290	16	19	33	358
Totals	291	16	19	38	364

Total Amount Distributed					
	Humanitarian Aid	Medical	Community Development	Education	Total
Individuals	£500.00	-	-	£3,727.39	£4,227.39
Institutions	£3,110,139.68	£343,787.10	£190,207.68	£144,402.16	£3,788,536.61
Totals	£3,110,639.68	£343,787.10	£190,207.68	£148,129.55	£3,792,764.00

Area Analysis of Distributed Grants										
Country	Project Categories								Total Grants	Total Amount
	Humanitarian		Medical		Com. Development		Education			
	Grants	Amount	Grants	Amount	Grants	Amount	Grants	Amount		
Palestine	256	£2,689,037.58	10	£300,000.00	8	£139,929.77	22	£101,373.13	296	£3,230,340.48
Lebanon	14	£235,075.48	2	£19,787.10	3	£21,632.26	6	£27,458.06	25	£303,952.90
Jordan	19	£182,026.61	2	£18,500.00	7	£26,065.00	3	£9,870.97	31	£236,462.58
UK & Other	2	£4,500.00	2	£5,500.00	1	£2,580.65	7	£9,427.39	12	£22,008.04
Totals	291	£3,110,639.67	16	£343,787.10	19	£190,207.68	38	£148,129.55	364	£3,792,764.00

Analysis of grants made to institutions in 2001

Name Beneficiary Organisation	Country	Project Categories								Total Grants	Total Amount
		Humanitarian		Medical		Com. Development		Education			
		Grants	Amount	Grants	Amount	Grants	Amount	Grants	Amount		
Al-Salah Islamic Association GAZA	Palestine	14	£384,071.10	1	£96,774.19	2	£54,303.23	2	£14,781.94	19	£549,930.45
Islamic Charitable Society - Al-Khalil	Palestine	11	£237,714.65	1	£64,516.13	2	£62,883.87	2	£19,298.06	16	£384,412.71
PFP Ltd (Qurbani Canned Meat Project)	Palestine	1	£262,430.62	-	-	-	-	-	-	1	£262,430.62
SANABIL For Relief and Development	Lebanon	10	£205,023.87	2	£19,787.10	1	£4,516.13	5	£26,167.74	18	£255,494.84
Social Reform Society - Jordan	Jordan	19	£182,026.61	2	£18,500.00	7	£26,065.00	3	£9,870.97	31	£236,462.58
Islamic Society - Gaza	Palestine	11	£178,762.26	-	-	-	-	2	£18,247.10	13	£197,009.35
Al-Mujama Al-Islami - Gaza	Palestine	12	£182,171.90	-	-	-	-	2	£7,450.81	14	£189,622.71
WAMY - Gaza Office	Palestine	1	£64,516.13	1	£96,774.19	-	-	-	-	2	£161,290.32
Mercy Association for Children	Palestine	11	£143,474.97	-	-	-	-	-	-	11	£143,474.97
Al-Islah Charitable Society - Ramallah	Palestine	5	£136,490.32	-	-	-	-	-	-	5	£136,490.32
Jenin Zakat Committee	Palestine	9	£89,848.03	-	-	-	-	2	£12,612.10	11	£102,460.13
Al-Tadamun Charitable Society Nablus	Palestine	4	£97,083.23	-	-	-	-	-	-	4	£97,083.23
Nablus Zakat Committee	Palestine	11	£78,118.81	-	-	-	-	-	-	11	£78,118.81
Ramallah Zakat Committee	Palestine	11	£61,426.19	-	-	-	-	1	£2,817.00	12	£64,243.19
Ei-Wafa Charitable Society	Palestine	3	£41,878.39	2	£9,677.42	-	-	-	-	5	£51,555.81
Belt Fajjar Zakat Committee	Palestine	7	£47,960.48	-	-	-	-	1	£1,410.00	8	£49,370.48
Orphan Care Society	Palestine	6	£48,934.06	-	-	-	-	-	-	6	£48,934.06
Islamic Welfare Association	Lebanon	4	£30,051.61	-	-	2	£17,116.13	1	£1,290.32	7	£48,458.06
Tulkarem Zakat Committee	Palestine	5	£41,040.81	1	£6,451.61	-	-	-	-	6	£47,492.42
Muslim Youth Society - Al Khalil	Palestine	6	£38,614.48	-	-	-	-	2	£4,167.74	8	£42,782.23
Islamic Society - Nusairat Camp	Palestine	6	£39,626.00	-	-	-	-	-	-	6	£39,626.00
Islamic Heritage Committee	Palestine	1	£26,000.00	-	-	1	£13,270.97	-	-	2	£39,270.97
Gaza Zakat Committee	Palestine	7	£38,878.87	-	-	-	-	-	-	7	£38,878.87
Khan Yunis Zakat Committee	Palestine	7	£36,940.97	-	-	-	-	-	-	7	£36,940.97
Social Charitable Association - Rafah	Palestine	5	£35,312.61	-	-	-	-	-	-	5	£35,312.61
Al-Islah Charitable Social Society - Beithelem	Palestine	3	£30,551.94	-	-	-	-	-	-	3	£30,551.94
Islamic Charitable Society - Dura Al-Khalil	Palestine	7	£25,381.58	-	-	-	-	-	-	7	£25,381.58

Analysis of grants made to institutions in 2001

Name Beneficiary Organisation	Country	Project Categories								Total Grants	Total Amount
		Humanitarian		Medical		Com. Development		Education			
		Grants	Amount	Grants	Amount	Grants	Amount	Grants	Amount		
Al-Razi Hospital	Palestine	1	£17,500.00	1	£6,451.61	-	-	-	-	2	£23,951.61
Science and Culture Center	Palestine	1	£23,654.84	-	-	-	-	-	-	1	£23,654.84
Al-Islah Charitable Social Society - Jericho	Palestine	7	£21,818.00	-	-	1	£1,350.00	-	-	8	£23,168.00
Islamic Society for Orphan Care - Yatta	Palestine	4	£22,963.65	-	-	-	-	-	-	4	£22,963.65
Muslim Women Society	Palestine	2	£16,869.03	-	-	-	-	1	£5,161.29	3	£22,030.32
Tubas Zakat Committee	Palestine	10	£20,373.68	-	-	-	-	1	£1,410.00	11	£21,783.68
Al-Rahma Zakat Committee - Khan Yunis	Palestine	2	£20,813.74	-	-	-	-	-	-	2	£20,813.74
Bani Naim Charitable Society	Palestine	2	£19,659.10	-	-	-	-	-	-	2	£19,659.10
Dar Al-Quran Al-Kareem Wa Al-Sunah	Palestine	1	£12,148.39	-	-	1	£6,838.71	-	-	2	£18,987.10
Qalqilya Zakat Committee	Palestine	5	£11,599.19	1	£6,451.61	-	-	-	-	6	£18,050.81
Jenin Youth Club (Sport, Social, Cultural)	Palestine	1	£17,870.97	-	-	-	-	-	-	1	£17,870.97
Tarqoumia Zakat Committee	Palestine	2	£12,658.26	-	-	-	-	-	-	2	£12,658.26
Arab Women Welfare Committee	Palestine	1	£12,100.00	-	-	-	-	-	-	1	£12,100.00
Dheisha Camp Zakat Committee	Palestine	2	£6,129.03	-	-	-	-	1	£2,110.00	3	£8,239.03
Humanitarian Relief Association	Palestine	1	£8,064.52	-	-	-	-	-	-	1	£8,064.52
Orphans and Needy Welfare Society - Jericho	Palestine	4	£4,633.00	-	-	-	-	2	£3,345.48	6	£7,978.48
Islamic Charitable Society - Beit Oula	Palestine	3	£6,926.00	-	-	-	-	-	-	3	£6,926.00
Asira Al-Shamliya Zakat Committee	Palestine	3	£5,377.00	-	-	1	£1,283.00	-	-	4	£6,660.00
Al-Ahli Hospital - Al-Khalil	Palestine	-	-	1	£6,451.61	-	-	-	-	1	£6,451.61
Al-Makassed Charitable Society - Hospital	Palestine	-	-	1	£6,451.61	-	-	-	-	1	£6,451.61
Al-Mujama Al-Islami - Khan Yunis	Palestine	-	-	-	-	-	-	2	£6,451.61	2	£6,451.61
Anebta Zakat Committee	Palestine	5	£6,098.48	-	-	-	-	-	-	5	£6,098.48
Yatta Zakat Committee - Al-Khalil	Palestine	2	£5,902.39	-	-	-	-	-	-	2	£5,902.39
Al-Quran And Sunnah Society	Palestine	1	£3,450.00	-	-	-	-	1	£2,110.00	2	£5,560.00
Markfield Institute of Higher Education	UK	-	-	-	-	-	-	1	£5,000.00	1	£5,000.00
Royal Marsden NHS Trust	UK	-	-	1	£5,000.00	-	-	-	-	1	£5,000.00
Al-Ihsan Charity Society - Al-Khalil	Palestine	2	£4,625.81	-	-	-	-	-	-	2	£4,625.81

Analysis of grants made to institutions in 2001

Name Beneficiary Organisation	Country	Project Categories								Total Grants	Total Amount
		Humanitarian		Medical		Com. Development		Education			
		Grants	Amount	Grants	Amount	Grants	Amount	Grants	Amount		
Sour Baher Zakat Committee	Palestine	1	£4,225.81	-	-	-	-	-	-	1	£4,225.81
Jerusalem Central Zakat Committee	Palestine	1	£4,020.00	-	-	-	-	-	-	1	£4,020.00
Levant Society	UK	1	£4,000.00	-	-	-	-	-	-	1	£4,000.00
Taffouh Charitable Society	Palestine	2	£3,399.84	-	-	-	-	-	-	2	£3,399.84
Hebron Zakat Committee	Palestine	2	£3,335.48	-	-	-	-	-	-	2	£3,335.48
Qalqilya Disabled Society	Palestine	2	£3,004.00	-	-	-	-	-	-	2	£3,004.00
Azoun Zakat Committee	Palestine	1	£2,867.74	-	-	-	-	-	-	1	£2,867.74
Beit Oula Zakat Committee	Palestine	2	£2,588.13	-	-	-	-	-	-	2	£2,588.13
International Islamic Council for Relief & Dawa	Egypt	-	-	-	-	1	£2,580.65	-	-	1	£2,580.65
Dura Zakat Committee	Palestine	1	£2,193.55	-	-	-	-	-	-	1	£2,193.55
Sueer Zakat Committee	Palestine	1	£2,072.00	-	-	-	-	-	-	1	£2,072.00
Halhoul Zakat Committee	Palestine	2	£2,043.13	-	-	-	-	-	-	2	£2,043.13
Hibla Zakat Committee	Palestine	3	£1,941.32	-	-	-	-	-	-	3	£1,941.32
Al-Huda Women Society - Ramallah	Palestine	1	£1,940.00	-	-	-	-	-	-	1	£1,940.00
Islamic Charitable Society, Deaf Basic School	Palestine	1	£1,400.00	-	-	-	-	-	-	1	£1,400.00
Asamou Zakat Committee	Palestine	2	£1,281.16	-	-	-	-	-	-	2	£1,281.16
Khalil Al-Rahman Women Society	Palestine	2	£1,106.97	-	-	-	-	-	-	2	£1,106.97
Beit Kahil Zakat Committee	Palestine	1	£872.00	-	-	-	-	-	-	1	£872.00
Palestine Society - SOAS	UK	-	-	-	-	-	-	1	£700.00	1	£700.00
Beit Sahour Zakat Committee	Palestine	1	£654.00	-	-	-	-	-	-	1	£654.00
Ithna Zakat Committee	Palestine	1	£545.00	-	-	-	-	-	-	1	£545.00
Royal Bukingham Hospital	UK	-	-	1	£500.00	-	-	-	-	1	£500.00
Kharas Zakat Committee	Palestine	1	£436.00	-	-	-	-	-	-	1	£436.00
Silwad Zakat Committee	Palestine	1	£430.00	-	-	-	-	-	-	1	£430.00
Beita Zakat Committee	Palestine	1	£218.00	-	-	-	-	-	-	1	£218.00
Totals		290	£3,110,139.68	16	£343,787.10	19	£190,207.68	33	£144,402.16	358	£3,788,536.61



Palestinians Relief & Development Fund
Interpal
Helping Palestinians in Need

***Trustee's Annual Report & Audited Accounts
For the Year Ending 31 December 2002***



CONTENTS

Legal & Administrative Information	4
Interpal Profile	5
Interpal Aims & Objectives	6
The Organisational Structure	6
Towards Achieving Stated Objectives: Interpal Activities	6
Statement Of Interpal Policies	7
Special Note: Restricted And Unrestricted Funds	9
Interpal Activities & Achievements In The Year 2002	
Trustees Report	10
Introduction	11-12
Interpal's Humanitarian Aid	12
Interpal's Aid To The Health & Medical Field	13
Interpal's Support For The Education Field	14
Interpal's Contribution Towards The Community Development Field	14
Interpal's Work In Jordan And Lebanon	15
Working In Partnership	17
Comments On The Statement Of Financial Activities Incoming Resources	18-19
Statement Of Financial Activity & Accounting Policies	20
Conclusion	20
Financial Activities	21
Auditor's Report To The Trustees Of Palestinian Relief And Development Fund – Interpal For The Year Ended 31st December 2002	22
Statement Of Financial Activities For The Year Ended 31st December 2002	23
Balance Sheet As At 31st December 2002	24
Notes To The Accounts For The Year Ended 31st December 2002	25-27
Flow of Funds Statement Year Ended 31 December 2002	28
Analysis of Grants Made in 2002	29-35

Palestinians Relief & Development Fund

Legal & Administrative Information

LEGAL & ADMINISTRATIVE INFORMATION:

CHARITY REGISTRATION

- NUMBER 1040094 (constituted by Charitable Trust governed by Trust Deed)
- GOVERNING DOCUMENT Trust Deed
- DATE LAUNCHED 5th November 1994
- ADDRESS: P. O. BOX 333, London, NW6 1RW, England
- TELEPHONE NO: 020-8450 8002
- FAX NO: 020-8450 8004
- E-MAIL: info@interpal.org
- WEBSITE: www.interpal.org

INTERPAL BOARD OF TRUSTEES

- TRUSTEES Mr. Ibrahim Brian Hewitt (Chairman), Mr. Essam Yousef Mustafa (Vice-Chairman & Managing Trustee), Mr. Shahan Izzat Husain (co-Vice-Chair), Mr. Ismail Yusuf Ginwalla, Mr. Mahfuzh Safiee and Mr. Ghassan Faour. (Mr. M. Rafiq Vindhani joined as Trustee in July 2003).
- **Method of trustee appointment/election**
The Trust Deed provides, "Every future Trustee shall be appointed by a Resolution of the Trustees passed at a special meeting called by the Chairman or any two Trustees upon not less than twenty-one days' notice being given to the other Trustees of the appointment of a new Trustee," (Article E).
- **Details of specific investment powers**
The Trust Deed provides that the Trustees have the power "to permit any investments comprised in the Trust Fund to be held in the name of any Clearing Bank, and of such a stock Broking Company) as nominee for the Trustees and to pay any such nominee reasonable and proper remuneration for acting as such," Article D (xvii).

WHOM TO CONTACT

- Interpal Chairman: Mr. Ibrahim Brian Hewitt
- Vice-Chairman & Managing Trustee: Mr. Essam Yousef Mustafa

AREAS OF OPERATION

- Worldwide

PRIMARY AREAS OF OPERATION

- Palestine (the West Bank and the Gaza Strip)
- Refugee Camps in Jordan and Lebanon

THE MAIN AREAS OF INTERPAL'S WORK

- Humanitarian Aid
- Education
- Community Development
- Health

AUDITORS

M. Yunis and Co., Chartered Accountants-Registered Auditors

Address: 320A Romford Road, London, E7 8BD

BANKERS

NatWest Bank PLC, Corporate & Commercial Banking
Greater London East, Commercial Banking Centre
P O Box 2401, 1st Floor
10 South Street
Romford, Essex
RM1 1BD

SOLICITORS

Rafina Solicitors

Address: 795 Harrow Road, Sudbury Town, Middlesex,
HA0 2LR

Since May 2003 Noden & Company Solicitors of 248 Ladbroke Grove London W10 5LT were appointed as Interpal's general counsel.

Palestinians Relief & Development Fund

Interpal Profile

INTERPAL PROFILE:

INTERPAL AIMS & OBJECTIVES

Interpal was founded as a Charitable Trust governed by a Trust Deed to aid, assist, guide and comfort poor and needy Palestinians in Interpal's area of operation, which is effectively worldwide but is primarily focused on the West Bank and Gaza Strip, Jordan and Lebanon. Its aim is also to relieve the hardship facing these distressed persons, to provide them with protection from the elements, to promote good health within their community, to assist them in the advancement of education and to provide social welfare facilities and services in co-operation with the other charitable organisations (Articles B and C of the Trust Deed).

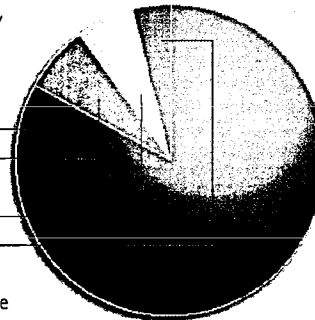
THE ORGANISATIONAL STRUCTURE

The Interpal Board of Trustees bears the responsibility for formulating and implementing the Charity's policies. It oversees the overall management and day-to-day running of the organisation. In addition to powers such as providing grants to help alleviate poverty, the Trustees have the power to establish and support development and rehabilitation projects, encourage employment and self-dependency, and construct, maintain and support holy places. The Board of Trustees must always have a minimum of five and a maximum of eleven members at any one time. Every future Trustee shall be appointed by a Resolution of the Trustees passed at a special meeting called by the Chairman or any two Trustees upon not less than twenty-one days' notice being given to the other Trustees of the appointment of a new Trustee.

TOWARDS ACHIEVING STATED OBJECTIVES: INTERPAL ACTIVITIES

Interpal focuses on four main areas of need within which many programmes and projects are established and supported in co-operation with many other charitable organisations. More than 80% of the funds distributed by Interpal have been used for strictly humanitarian aid purposes. This is a reflection of the needs of the Palestinians and the nature of the donations received by Interpal. Since the provision of educational, health and development facilities are the responsibility of the relevant state authorities in Palestine, Interpal's is more of a secondary than a primary care role. In fact, Interpal views the current situation as one requiring relief and assistance for a growing population faced with strife, abject poverty and deprivation. The four main areas mentioned above, and the five-year average percentage of income allocated to each, are listed below:

- Humanitarian Aid (80%)
- Education (10%)
- Community Development including Maintenance of Holy Sites (5%)
- Health (5%)



The mainstays of Interpal's fundraising work are its four major programmes. These are the three launched annually, namely the Ramadan and Qurbani Campaigns, and the School Kit/Palestine Education Project; and the ongoing Sponsorship Programme. The aim of the Sponsorship Programme is to provide regular (i.e. monthly) financial assistance to orphans, the disabled and needy children and families. Additionally, Interpal tries to send delegations to Palestine as a means to ensure the transparency and accountability of its operations. However, the charity has not been able to do so since September 2000 due to the latest and ongoing conflict in the area. Interpal also launches special appeals as and when specific needs arise. This includes the organisation of events such as charity bazaars and fundraising dinners.

INTERPAL PROFILE

STATEMENT OF INTERPAL POLICIES

Policy on Reserves (Funds Carried Forward)

Usually no more than 10% of Interpal's funds are rolled over for expenditure in the following financial year. This is to cover costs while income is being generated through the Charity's normal activities during the next year. However, it sometimes happens that due to the nature of Interpal's campaigns much of the funds are generated towards the end of the financial year. In such cases more than the 10% would be rolled over to the following year for distribution.

Policy on Investment Performance

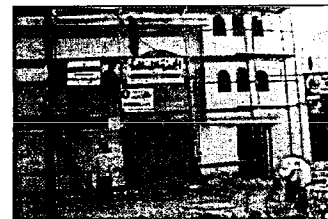
The Trustees are keen that the investments perform well in any given financial year. The Trustees decided to invest in property about 3 years ago because the risk factor is lower. The only investment Interpal Trustees made was the purchase and refurbishment of 2 freehold properties in Pontypridd costing £110,000 in total. These were worth about £125,000 by 2002, and had generated an income of over £31,000 from the date of purchase until the end of 2002. One was sold in 2002 for £53,000. Completion took place on 20 December 2002. Sale proceeds banked amounted to £52,548.25p after deductions for professional fees and agent's commission.

Grant-Making Policy

Grant-making is vital to Interpal as 80% of incoming resources are distributed in furtherance of the Charity's objects. Interpal works in partnership with other like-minded non-political charitable organisations in order to achieve its aims and objectives to provide relief and development aid to the people of Palestine. This is to increase efficiency and avoid duplication ensuring maximum benefit for Palestine's poor and needy. Interpal's commitment to Public Accountability and Transparency means that it only deals with bona fide organisations, not individuals, which are duly registered by the appropriate authorities in their own countries.

INTERPAL has contact with over 100 charitable organisations in its primary areas of operation. All of them are highly trusted and respected. They are Interpal's partners on the ground, who are best placed to assess the needs of the people and give appropriate advice accordingly. They are responsible for implementing the projects Interpal chooses to support. Further, Interpal's work with these local partners is subject to a strict Funding Agreement to ensure the proper end use of funds as specified. Once it has been established that an organisation meets the conditions Interpal has laid down, the charity is happy to deal with it, and shall consider any project proposal it may wish to present. However, Interpal's decision to allocate funds is based solely on the basis of need and the individual merit of each project.

Need and the alleviation of poverty are the only criteria used when deciding how Interpal's funds are allocated. Most of the projects Interpal supports are those which provide humanitarian relief mainly in the form of food parcels and sponsorship of orphaned, needy and disabled children. It is worth noting here that the Funding Agreement is revised periodically to take into consideration changes in the law and the situation in Interpal's areas of operation. Changes are made where necessary, and the local partners are required to complete and return a signed copy of the new agreement.



Top: Construction work on the Orphan Centre in Jabalia, supported by Interpal

Below: Lorries transporting Interpal sponsored Food Aid in April 2002

INTERPAL PROFILE

Administration Costs

It is Interpal's policy not to deduct Administration Costs from specified donations. Therefore, if a donation is specified as Zakat, orphan sponsorship or Qurbani, for example, Interpal will not deduct Administration Costs. The Charity meets its Administration Costs, which for the last 8 years have been less than 10% of the total annual income, from the following sources:

- Donations into our Administration Account
- Donated interest money
- Tax reclaimed from Inland Revenue schemes such as Gift Aid
- Unspecified donations

Policy on Allocating 80% of Distributed Funds to Provide Humanitarian Aid

Due to the nature of donations received, about 80% of Interpal's funds are used to provide humanitarian aid. Interpal defines Humanitarian Aid as emergency relief, medical supplies, food (including Qurbani meat), shelter and clothing, and the provision of moral and financial support through sponsorships of orphans, widows and needy children and families, and those who are unemployed due to illness, disability and as the result of civil or military action or national disasters. The aid Interpal provides includes the distribution of food parcels, Zakat distribution and the provision of hot meals during the breaking of fast at mosques and other centres during Ramadan, and the staggered distribution of fresh, frozen and canned Qurbani meat over the 9 months or so after the 'Eidul-Adha celebrations.

Applications from Individuals

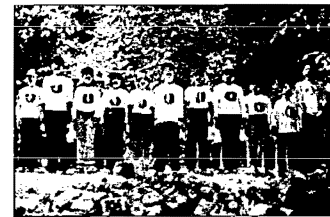
Although it is Interpal's stated policy only to deal with other non-political bona fide charitable organisations and not individuals in order to achieve its aims and objectives to provide relief and development aid to the people of Palestine, the Board of Trustees may exercise their discretion in certain hardship cases to allocate funds to individual applicants in the UK or outside Palestine at the time of the application. The individual must be able to prove his/her nature of need, must produce evidence of hardship, and provide character references as well as other relevant documents (e.g. evidence of current visa status, medical condition or enrolment at a bona fide educational establishment where appropriate).

Most of the applicants are either students studying abroad, or those seeking medical treatment abroad. The funds allocated to such individuals are generally small (i.e. no more than £500 per applicant). In exceptional circumstances, the Trustees have exercised their discretion to award a little more. However, these instances are very rare. In the case of persons receiving medical treatment the funds are paid directly to the medical establishment and receipted accordingly. Distributions to individuals are required to be acknowledged in writing.

Gifts in Kind

INTERPAL does not normally seek nor receive gifts in kind apart from when the Charity is organising events such as a charity bazaar when items are needed for sale (food items mostly). However, such events are rarely organised (usually only once or twice a year at most).

Children enjoying summer educational activities funded by Interpal in August 2002



INTERPAL PROFILE:

SPECIAL NOTE: Restricted and Unrestricted Funds

Interpal's Incoming Resources are best described as Unrestricted funds expendable at the discretion of the Trustees in furtherance of the objects of the charity. Although Interpal has set up a number of separate sub-bank accounts as well as a system to record the specifics of the donations received, this is totally for administrative purposes in order to facilitate the proper dispensation of the moral as well as the religious obligations of the Trust.

Interpal's donor-base is founded primarily (but not exclusively) in the Muslim community. Hence, approximately 80% of donation specifications are usually religious in nature i.e. Zakat and Fitrana (poor-due), Sadaqah (alms for the poor and needy), Lillah (contributions for the sake of Allah SWT) and Qurbani (donations for the purchase and sacrifice of livestock where the meat is to be distributed to the poor).

In the case of Fitrana and Qurbani classifications, the Trustees are obliged to make arrangements to dispense with the funds in accordance with the religious requirement of time restrictions i.e.: Fitrana must reach the needy before the end of Ramadan, and the Qurbanis must be performed within the specified 4 days of 'Eidul-Adha.

Interpal's Expenditure of Funds is, however, restricted to the designated charitable projects. The Beneficiaries, all bona fide registered charitable organisations, are obliged to expend the funds strictly in accordance with the purpose they are allocated. Interpal has a well-established control procedure to ensure full accountability to its donors.



Top: Interpal's work in the Education field through the School Kit Programme 2002 brings joy to Palestinian children



Left: Interpal school kits being assembled prior to distribution

Palestinians Relief & Development Fund

Trustees Report

**Interpal Activities & Achievements
In The Year 2002**

TRUSTEES' REPORT

Palestinians Relief & Development Fund also known as INTERPAL

INTERPAL ACTIVITIES & ACHIEVEMENTS IN THE YEAR 2002

INTRODUCTION

Responding to appeals from local NGOs, Interpal is continuing to work in co-operation with our funding partners to help ease the effects of the tragedy which has befallen the Palestinian people. Our commitment to increase efficiency and our pledge regarding public accountability has certainly paid off. By the end of 2002 we had distributed in excess of £4.1 million. This reflects the trust and confidence our partners and donors have in INTERPAL, for which we are most grateful.

Despite the amount of aid that Interpal has distributed over the years to combat poverty and help in community development projects in the Occupied Palestinian Territories and refugee camps in Jordan and Lebanon, the charity continues to be plagued by allegations of links to terrorism. As a result of the events of 11 September 2001 the US administration led by George Bush declared a war on terrorism. The global agenda of the war on terror from then on impacted greatly on NGOs working in troubled areas such as the Occupied Territories and Afghanistan.

Given the politically sensitive situation, Interpal sought advice from the Home Office concerning newly introduced anti-terrorism legislation. Interpal also sought advice from, and a meeting with, the Charity Commission with regard to the Commission's policy and guidelines for charities working in the Occupied Territories during the difficult period in 2002, especially the time leading up to and during the war in Afghanistan. Unfortunately, the Home Office was only able to say that the new legislation affected proscribed organisations alone, and no new guidelines were available at the time from the Commission. Additionally, the Commission was not sure what such a meeting would accomplish. No meeting took place in 2002, but Interpal nevertheless took upon itself to introduce even tighter audit controls to ensure that all funds could be accounted for at all times, and that they were used only for specified charitable purposes.

The year 2002 also saw some of Interpal's partners in Europe and elsewhere blacklisted. One such organisation in Germany was forced to close down in August of that year, but the German High Court allowed it to re-open in July 2003, having found the charity clear of any wrongdoing.

While allegations of terror must be investigated, many in the NGO community feel that decisions are made to blacklist affected organisations before a formal inquiry is launched. Charities are almost always denied the chance to present their case before the action to blacklist them is taken. It is as if the charities are assumed to be guilty, and must then go on to prove their innocence. Needless to say the charities then have to go through the arduous and expensive process of taking some form of legal action to clear their names as the charity in Germany has done. What is most worrying is that if a charity's name is sent to the UN for blacklisting and no objection is made within a few days all member states are required to ban the said organisation, and there is no appeal process open to it.

Despite the many challenges, Interpal pressed on with its stated aims of providing relief and development aid to Palestinians in need. The Trustees of Interpal are pleased that the funds collected in 2002 exceeded all expectations. The charity's



Interpal distributes food while supporting Palestinian food producers such as these poultry farmers, Ramadan 2002

TRUSTEES' REPORT

incoming resources for the year topped the £5.5 million mark. That was in itself a great achievement for a single issue charity such as Interpal. The Trustees of Interpal are committed to continue the work of combating poverty and providing relief in an area where there is a great deal of suffering, and to continue to improve procedures relating to the allocation and distribution of funds. The following narrative covering Interpal's work includes details of some organisations receiving Interpal's funds. The full list of beneficiaries is found on pages 31 to 35.

INTERPAL'S HUMANITARIAN AID

Interpal defines Humanitarian Aid as emergency relief, medical supplies, food (including Qurbani meat), shelter and clothing, and the provision of moral and financial support through sponsorships to the needy, orphans, widows and families of detained persons.

Over £2.8 million (68%) was spent on Humanitarian Aid including financial assistance in the form of our regular sponsorship of more than 4,000 orphans and needy children, poor families, distribution of immediate emergency aid such as food parcels, medical aid as part of the Emergency Aid Programme, the execution of our Ramadan Projects including the Feed the Fasting Programme and the distribution of Qurbani meat.

Interpal Sponsorship Programme

One of the biggest and most regular projects we have is the Sponsorship Programme in support of widows, orphans and needy children and poor families. We spent £1.5 million on this project alone. Currently, Interpal sponsors in excess of 1,500 orphans and needy children, and manages the sponsorship of 2,500 others on behalf of our partners. Due to the continuing crisis we have expanded our Sponsor an Orphan Programme to include the sponsorship of needy and disabled children, and renamed it the Sponsorship Programme.

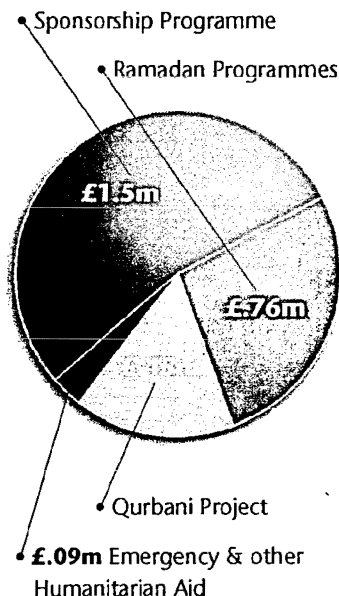
Interpal Ramadan Project

Our Ramadan Project is divided into 3 programmes. Firstly, there is the Feed the Fasting Programme. There is also the Distribution of 'Eid Gifts Programme that ensures that orphans, needy children and widows are able to share the joy of the celebrations. We also implement our Alms Distribution Programme which provides timely financial assistance to poor and needy families. We spent in excess of £760,000 on these programmes in 2002. The Feed the Fasting Programme was allocated 35% of the funds, 15% of which is earmarked for the support of local farmers and producers of foodstuff. 10% was for the Distribution of Financial Assistance and 5% was for the 'Eid Gift Distribution. 50% was allocated for the Alms Distribution Programme in support of needy families and the various different programmes of the beneficiary organisations.

Interpal Qurbani Project

The generosity of our donors contributed to the success of Interpal's Qurbani Project in 2002. We arranged for about 15,000 Qurbanis to be performed on behalf of our UK donors and those abroad, and implemented the project on behalf of about 15 charitable organisations worldwide. We spent just under £150,000 performing Qurbanis inside Palestine, Jordan and Lebanon in order to distribute fresh meat to the poor and needy, and also to give them a sense of occasion during the 'Eidul-Adha celebrations. In addition, about £300,000 was expended on Qurbanis performed abroad. Some of the meat was cut into portions, frozen and shipped to Palestine, Jordan and Lebanon to be distributed to the poor. The remainder was processed, canned and shipped for distribution at a later date.

Humanitarian Aid
(over £2.8 million)
made up of:



TRUSTEES' REPORT

Interpal Beneficiaries in the Humanitarian Field Include:

Al-Islah Charitable Society, Ramallah & Al-Bireh – Emergency Humanitarian Aid (food & medical supplies), Qurbani project and Ramadan campaign.

Al-Ram Zakat Committee, Jerusalem – Emergency Aid (food parcels & financial support)

Al-Salah Charitable Association, Gaza – Emergency Aid, sponsorship of orphans, Ramadan campaign and Qurbani project.

Al-Dheisha Refugee Camp Zakat Committee, Bethlehem – Emergency Aid (financial support), sponsorship of orphans, Ramadan campaign and Qurbani project.

Islamic Charitable Society, Hebron – Emergency Aid, sponsorship of orphans, Ramadan campaign and Qurbani project.

Islamic Society, Gaza – Emergency Aid for those whose homes have been demolished, sponsorship of orphans, Ramadan campaign and Qurbani project.

Jenin Zakat Committee – Emergency Aid following the siege of Jenin, re-housing for the homeless, sponsorship of orphans, Ramadan campaign and Qurbani project.

Mercy Association for Children, Gaza – Sponsorship of orphans and needy children, and Ramadan project.

Orphans and Needy Welfare Society, Jericho – Emergency Aid for needy families, sponsorship of orphans, Ramadan campaign and Qurbani project.

Qalqilya Society for the Disabled – sponsorship of disabled children, Ramadan campaign and Qurbani project.

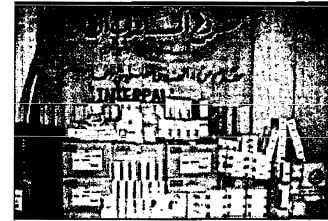
Ramallah Zakat Committee – Emergency Aid including support for those whose homes have been destroyed, sponsorship of orphans, Ramadan campaign and Qurbani project.

Social Charitable Society, Rafah – Sponsorship of needy families, the improvement of homes, and Ramadan project.

Tulkarem Zakat Committee – Emergency Aid following the siege of Tulkarem, sponsorship of orphans, Ramadan campaign and Qurbani project.



Top: The fasting enjoying Collective Iftar provided by Interpal, Ramadan 2002



Below: Medical supplies sponsored by Interpal, 2002

INTERPAL'S AID to the HEALTH & MEDICAL FIELD

In the light of the prolonged and continued curfews, sieges and closures, Interpal responded to the appeals for emergency medical aid by releasing in excess of £200,000. We were able to help set up emergency medical centres as well as provide first aid kits for paramedics and doctors. Funds were also spent on repairing damaged hospitals and clinics.

Interpal Beneficiaries in the Health & Medical Field Include:

Al-Makassed Hospital, Jerusalem – Immediate Emergency Medical Aid.

Al-Razi Hospital, Jenin – Support and repairs costs for damaged building, and medical supplies.

Charitable Society for the Support of Palestinian Students, Gaza – Provision of corrective glasses for needy students.

Ithna Zakat Committee, Hebron – Medical treatment subsidy for the poor and needy.

Nusairat Camp Islamic Society – Improving the capacity of the Medical Centre.

Patients' Care Society, Gaza – Support for Children's Clinic.

Taffouh Charitable Society, Hebron – Development of a Medical Centre.

Tarqoumia Zakat Committee, West Bank – Setting up of a Maternity Clinic and Medical Laboratory.

Tulkarem Zakat Hospital – Immediate Emergency Medical Aid.

Yaffa Medical Centre, Gaza – Immediate Emergency Medical Aid and supplies.

TRUSTEES' REPORT

INTERPAL'S SUPPORT FOR THE EDUCATION FIELD

Interpal recognises the importance of supporting education programmes in order to empower the youth of Palestine, and as a means of providing them with a better future, insha-Allah. More than £330,000 was distributed in this field in aid of Education programmes supporting the distribution of school kits, the provision of student aid and support for educational establishments, such as sponsorship of academic staff.

Interpal Beneficiaries in the Education Field Include:

Al-Iman School, Jenin – Repairs to damaged school building.
Al-Islah Charitable Society, Jericho – School kits and financial assistance for poor students.
Al-Noor Nursery, Al-Khader, Bethlehem – Subsidy for staff salaries.
Al-Quds University, Jerusalem – Financial assistance for needy students.
Arab Women's Welfare Society, Jerusalem – Student aid.
Beit Fajjar Zakat Committee, Bethlehem – Provision of school kits and student aid.
Dura Charitable Society, Hebron – School kits and student aid.
Gaza Zakat Committee – Provision of School Kits.
Islamic University of Gaza – Grants for needy students.
Noor Al-Marifah Charitable Society, Gaza – Training teachers to teach children with special needs.
Jerusalem Central Zakat Committee – Support for needy Students.
Khan Yunis Zakat Committee, Gaza – School kits and student aid.
Kufur Rai Kindergarten, Jenin – Subsidy for running costs.
Muslim Women's Society, Gaza – Development training for teachers.
Student Friends Society, Gaza – Student grants including for special hardship cases outside Palestine.
Yatta Zakat Committee, Hebron – School kits and grants for needy students.

INTERPAL'S CONTRIBUTION TOWARDS THE COMMUNITY DEVELOPMENT FIELD

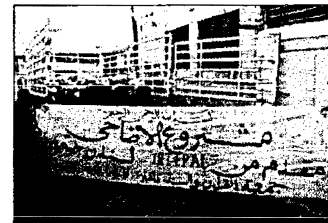
More than £720,000 was expended on Community Development Projects in support of local charities that serve the community, job creation programmes, care and rehabilitation programmes for the disabled and the elderly, as well as maintenance of religious and heritage sites.

Interpal Beneficiaries in the Community Development Field Include:

Al-Lid Charitable Society, Nablus – Construction of the Hope for the Disabled Centre building.
Al-Moustaqbal Association for Care and Rehabilitation for the Blind, Gaza – Support for programmes for the blind.
Al-Mujamma' Al-Islami, Gaza – Job creation programme.
Aqaba Village Mosque Committee, Jenin – provision of ablution facilities.
Arourah Cultural Centre, Ramallah – Provision of computer equipment for the computer centre, and support for their Qur'an Study Programme.
Beit Oula Zakat Committee, Hebron – Job creation programme.
Dar Al-Fadila Benevolent Home for Orphans, Rafah – Construction of an orphan centre.
Dar Al-Qur'an Al-Kareem, Gaza – Purchase of mini-bus.
Friends of the Blind Society, Ramallah – Provision of equipment and staff costs.
Humanitarian Relief Association, Beit Al-Maqdis – Job creation programme, purchase of 2 mini-buses for The Al-Aqsa Mosque and purchase of endowed properties in Jerusalem.

Top: Interpal's Qurbani Meat Programme 2002

Below: One of the refugee families Interpal supports through the Sponsorship Programme



TRUSTEES' REPORT

Islamic Heritage Committee, Jerusalem – Job creation programme (teachers and guides for The Al-Aqsa Mosque) and maintenance costs for Al-Yusufiyya Cemetery.

Islamic Society, Jabalia – Construction of Orphan Centre.

Public Service Committee, Gaza – Job creation programme.

Science and Cultural Centre, Nusairat – Environment awareness job creation programme and rehabilitation of families and children who suffer psychological problems due to the traumas of the conflict.

INTERPAL'S WORK IN JORDAN AND LEBANON

For Interpal, helping Palestinians in need extends beyond historic Palestine. The people Interpal are trying to assist include those living in refugee camps in Lebanon and Jordan where the level of poverty among Palestinian refugees is about 70%, as well as those students who are stranded all over the world because their families are no longer able to support them. Whilst the focus has been on providing emergency aid and other relief to those inside Palestine, Interpal has not forgotten those outside.

Aid to Jordan

By the end of 2002, Interpal distributed in excess of £220,000 in Jordan. The bulk of this was specified for the support of 250 orphans, and disabled and needy children as part of our sponsorship programme. Other projects included improvements to a mosque in Al-Shobak, the provision of School Kits and student aid at Zarka University, as well as equipment for a computer centre for orphans in Amman.

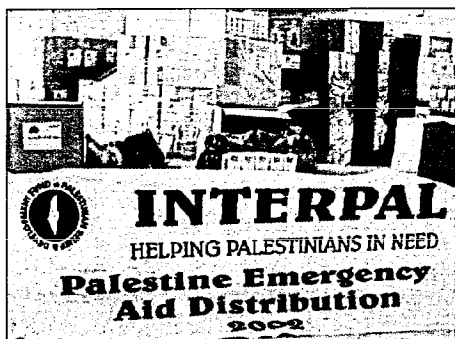
Aid to Lebanon

More than £300,000 was distributed in Lebanon in 2002. The desperate living conditions mean that Palestinian refugees have to do without even the most basic education, health, water and sanitation facilities. Interpal's efforts are therefore focused on providing care for the orphans, medical health centres, student aid programmes, social welfare and aid for needy families as well as water and sanitation projects. One of the most important projects we are supporting is the small loans project to help empower poor and needy families. It is our aim to increase aid to these oft forgotten refugees. We spent about £150,000 in aid of Ramadan programmes in Lebanon. Apart from the regular sponsorship, Ramadan and Qurbani projects we also provided funds for the improvement of a mosque in Al-Rashidiyyah Refugee Camp. Our development aid to Lebanon includes the provision of funds for a well to serve the residents of Al-Baddawi Refugee Camp (funded in conjunction with the Elrahma Trust, UK), small loans project and an Ozo sewage system in the Ein Al-Helwa Refugee Camp.



Top: 'Eid gifts from Interpal being distributed to children in Jerusalem

Below: The contents of Interpal sponsored food parcels



TRUSTEES' REPORT

SOME OF THE BENEFICIARIES OF INTERPAL'S SMALL LOANS PROJECT IN LEBANON

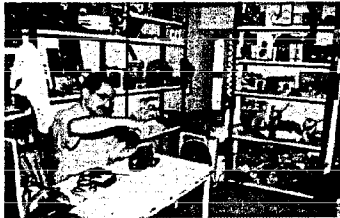
Mr. Zakariyya

Mr. Zakariyya is a disabled Palestinian refugee living in Lebanon. He supports a family of 4 people. Interpal helped him through the small loans project by lending him US\$800 in March 2001 to adapt and repair his dilapidated car for use as a taxi. By September 2002 he had re-paid US\$566.67 and continued to work hard to repay the rest.



Mr. Nabil

In February 2001 Mr. Nabil obtained a loan of US\$1,000 from Interpal's small loans project. It was the capital he needed to set himself up in a small business selling toys and stationery. In addition, he also repairs radio and television sets on the premises. The loan enabled him to support his family of 8 members, and by the last quarter of 2002 had repaid US\$800 of the loan.



Ms. Kamar

Being a refugee and a widow responsible for 3 children meant that life was very hard for Ms. Kamar. In February 2001 she obtained a loan of US\$1,000 from the small loans project, and set up a clothing shop in her home. Due to her hard work and business acumen she re-paid the loan in full by March 2002, and has managed to improve her circumstances as well as those of her family.



Top: Mr. Zakariyya with his adapted Mercedes

Middle: Mr. Nabil working in his shop

Below: Ms. Kamar displaying some of the clothes she sells

TRUSTEES' REPORT

WORKING IN PARTNERSHIP

International Efforts

In line with our stated objective of working in partnership with other charitable organisations in order to increase efficiency and avoid duplication, Interpal has teamed up with many charities both in the UK and abroad to provide immediate response to the needs of the Palestinian people which is so great that the provision of relief and development aid cannot be dealt with by a single charity. This was the idea behind the launch of the I'tilaf al-Khayr (Union for Good) which is the coming together of several independent charities worldwide to form a co-ordinating body. Since its inception, the I'tilaf has run a number of successful campaigns, the first of which was the 101 Days Campaign to help raise awareness of the situation in Palestine, provide relief and moral as well as practical support for poor and needy Palestinians. In view of the growing importance of co-ordinating relief and development efforts, a conference was held in Beirut in August 2002 to host the members of the I'tilaf. It was the first gathering of all the I'tilaf members, and the opening ceremony was presided over by the Grand Mufti of Lebanon. The conference was chaired by the former President of the Sudan, Abdul Rahman Al-Suarthahab, and was attended by 37 representatives of the 37 member organisations from 21 countries. During the course of the conference a delegation of the members had a meeting with the Prime Minister of Lebanon.

At the close of the conference member organisations decided to build upon the successes achieved by the I'tilaf by developing the co-operation and co-ordination mechanism that already exists in order to achieve higher aims. The member organisations agreed to give priority to the type of aid needed, and made the following important pledges:

Given the high unemployment rate among the Palestinian population, a Social Welfare Fund was to be set up to help projects that preserve human welfare by providing sponsorship of organisations, staffing and running costs. It was one way of helping to create jobs and ensure that the poor and needy would be able to help themselves as well as ensure that the local committees that provided an invaluable service to the community could continue their work.

The widespread destruction that had resulted since the start of the Al-Aqsa Intifadah, made it essential for a Relief & Rebuilding Fund to be set up to increase relief programmes and provide support to re-house those whose homes were damaged or destroyed. Relief would be provided through supporting local manufacturers and producers by purchasing from them whatever materials that were required.

Schools and other educational establishments had been destroyed, with massive disruption to education and the loss of school days; hence, an Education Fund would be set up to support educational establishments including universities, colleges and schools, to provide financial assistance to needy students, to help subsidise or provide staff salaries and to repair or rebuild damaged school premises etc.

Given the near collapse of the Palestinian economy, an Economic Development Fund would be set up to help small scale, self-sustaining and economically viable projects. This would no doubt help to revitalise the Palestinian economy and create jobs.



Top: Amani is a Palestinian child born in 1999. She was injured during one of the clashes in 2002. She now receives help from Interpal through the Sponsorship Programme.

Below: Contents of Interpal's Ramadan food parcel

TRUSTEES' REPORT

A Health and Medical Fund would be set up in support of the health sector because of the high numbers of those injured, increased malnutrition within the population and severely restricted access to medical services due to the prolonged and continued curfews. Special focus would be placed on the setting up and support of specialised clinics and medical centres, as well as specialised training for doctors.

In addition, priority would also be given to the support of projects connected to Masjid Al-Aqsa and the Jerusalem area. Help would also be extended to assist Palestinians in the diaspora, especially the refugee camps in Lebanon and Jordan.

Interpal would continue to play a leading role in co-ordinating the efforts of member organisations, and we pledged to focus on that in the near future in the hope that it would further strengthen our links with our partners.

UK Partners

Apart from our international efforts, Interpal also worked hard to foster good and enduring relations with the Muslim community and charitable organisations within the UK. Interpal continued to win the trust of the community and other British charities, and in 2002 we worked in partnership with the Elrahma Trust, Families Relief, Human Appeal International, Human Relief Foundation, Muslim Aid, the Muslim Welfare Institute, UK Islamic Mission, and the Ummah Welfare Trust. It was a great privilege for us to work with such organisations that have the trust and respect of the British community. Our hope is to continue to build upon our existing efforts and strengthen our ties well into the future.

The Contributions of Our UK Partners:

Muslim Aid supported a number of community projects as well as provided Emergency Relief (food & medical aid distribution)

Human Appeal International supported our Qurbani Project and provided aid for the medical centre in Jericho.

Human Relief Foundation supported our Qurbani Project as well as provided Emergency food and medical supplies, and aid for a medical centre.

Ummah Welfare Trust supported our Qurbani Project, and provided Emergency food, medical and financial aid.

Elrahma Trust aids Interpal's Sponsor a Needy Child Programme by supporting both orphans and needy children, and providing funds for a water/well project for the Al-Baddawi Refugee Camp in Lebanon.

Muslim Welfare Institute supported the Yaffa Medical Centre Children's Hearing Unit.

Families Relief supports orphans and needy families in Rafah.

UK Islamic Mission helped to re-house of victims of the Jenin siege for 6 months.

COMMENTS ON THE STATEMENT OF FINANCIAL ACTIVITIES

With reference to the Audited Accounts on pages 22 - 24

Incoming Resources

Most of INTERPAL's funds were generated by fundraising appeals to the public and our funding partners both in the UK and abroad through our annual campaigns. Investment income from rents received is significantly small compared to the funds raised from the annual campaigns. INTERPAL's total Incoming Resources for the year 2002 amounted to over £5.5 million. This rise on 2001's income may be due to 4 factors:

- The growing recognition of INTERPAL's abilities and role as a specialised charity working for the benefit of Palestinians in need. INTERPAL has therefore become

Top: Collective Iftar during Ramadan sponsored by Interpal

Below: 'Eid gifts in the form of clothes being distributed to widows as part of Interpal's Qurbani Project 2002



TRUSTEES' REPORT

a reference point for many charities and organisations wishing to contribute to the efforts to help alleviate the suffering of a people facing a great humanitarian crisis;

- a portion of the funds pledged and received from the international Union for Good were managed by INTERPAL as one of the major co-ordinators of the whole campaign;
- the deteriorating conditions in the Occupied Palestinian Territories, media coverage of the Palestinian issue and increased awareness of the situation meant that more people were moved to make a very positive contribution; and
- advertising of our appeals on some satellite channels as regards our international campaigns.

Distribution Of Funds & Expenditure

Over £4.3 million of the Incoming Resources was expended in the year 2002. Of this, about 94% was spent on direct charitable projects; less than 3% represents the portion used for fundraising expenditure, and about 3% was spent on management and administration. Less than £2,000 was expended on Trustees' expenses.

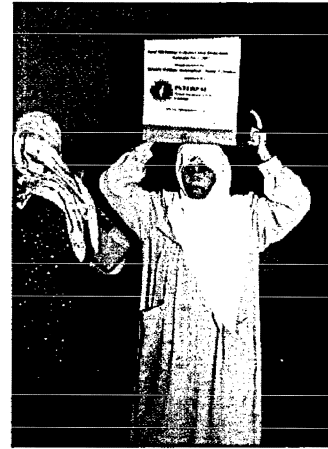
Analysis Of Direct Charitable Expenditure

In 2002, 555 grants were made by INTERPAL to the total value of £4,116,620. Of these 550 grants were made to institutions and just 5 were made to individuals. These individual grants came to a total of £1,300. The average amount given to each individual was £260. The high rate of unemployment, the collapse of many industries and the restrictions on movement in Palestine at that time meant that thousands were reduced to poverty. Many depended on aid agencies for food, shelter, medical treatment and financial assistance to pay for their electricity and water supply, and so on. Therefore, most of the project applications INTERPAL received in 2002 were appeals for humanitarian aid.

The bulk of the direct charitable expenditure (about 69%) went to Humanitarian Aid (including the Ramadan Food Parcel Project, the Qurbani Meat Project and the Sponsor an Orphan Programme). Educational projects, including the provision of school kits, assistance for poor and needy students and the building and maintenance of educational establishments received a little over 8% of the funds.

Community Development Projects including small-scale projects, Qur'an Study Centres and support for local charitable organisations' running costs received just over 17.5% of the total value of grants made in 2002. The increase in this sector compared to the figure for 2001 reflects Interpal's commitment to help revitalise the Palestinian economy through job creation programmes and such like. Health and Medical Projects including the purchase of medical equipment and supplies and the treatment costs of needy patients received about 5% of the funds.

In all, nearly 87% of the total distributed funds went to the Occupied Palestinian Territories, 7% to Lebanon and 5% to Jordan. The remaining 1% was distributed in the UK.



A recipient of Food Aid from Interpal

TRUSTEES' REPORT:

Funds Carried Forward

It is INTERPAL's policy to retain some funds for distribution the following year. The figure for the year 2002 was about £3.4 million due to the fact that as a result of the nature of INTERPAL's campaigns much of the funds were raised during the latter part of the year for distribution in the next year. The distributions were made in the first quarter of 2003.

STATEMENT OF FINANCIAL ACTIVITY & ACCOUNTING POLICIES

INTERPAL has taken every effort to present its accounts in accordance with the Charities' Statement of Recommended Accounting Practice (SORP).

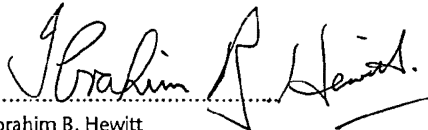
CONCLUSION

The year 2002 was significant in more ways than one for INTERPAL. As the humanitarian crisis in Palestine intensified the needs of poor Palestinians grew to unimaginable levels. The British public grew in its awareness of the situation in the Occupied Palestinian Territories. As a result, the public response to our appeals continued to be good. INTERPAL's policy and objective to co-operate and co-ordinate with other charitable organisations also bore fruit. This is best illustrated by the significant increase in funds received from partner organisations. The percentage of contributions from UK partners increased showing the trust and confidence they have in Interpal.

This charity is greatly indebted to all its donors for their practical and moral support throughout 2002. Everyone connected with Interpal is overwhelmed by donors' trust in the organisation. Our sincere appreciation goes to our donors for their unstinting support. The Trustees would also like to express their appreciation of the hard work and dedication of INTERPAL's staff and volunteers.

Approved by the Board of Trustees.

Signed on behalf of the Board;



Ibrahim B. Hewitt

Date: 30 October 2003



Interpal's Zakat Distribution Programme
Implemented during Ramadan 2002

Palestinians Relief & Development Fund

Auditor's Report To The Trustees Of
Palestinians Relief And Development
Fund – Interpal
For The Year Ended 31st December 2002

FINANCIAL ACTIVITIES:

AUDITOR'S REPORT TO THE TRUSTEES OF PALESTINIANS RELIEF AND DEVELOPMENT FUND – INTERPAL FOR THE YEAR ENDED 31ST DECEMBER 2002

We have audited the attached financial statements which have been prepared under the historical cost convention and the Accounting policies set out on page 25.

RESPECTIVE RESPONSIBILITIES OF EXECUTIVE COMMITTEE AND AUDITORS

As described on page 25, the Executive Committee is responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An Audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the executives in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material mis-statement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the state of the Charity's affairs as at 31st December 2002 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the constitutional and Charities Act 1993.

M. Yunus & Co.

Registered Auditors & Chartered Accountants

320a Romford Road, London E7 8BD

FINANCIAL ACTIVITIES:

PALESTINIANS RELIEF AND DEVELOPMENT FUND – INTERPAL

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 31ST DECEMBER 2002

	Notes	2002	2001
Incoming resources before transfers and revaluation			
Donation received – unrestricted	4	5,541,437	4,287,935
Investment Income			
Rent receivable		6,491	7,995
Total incoming resources		<u>5,547,928</u>	<u>4,295,930</u>
Resources expended			
Direct charitable & fund raising expenditure:			
Aid, relief & education, etc.	5	4,116,620	3,792,764
Fund raising expenditure	6	<u>127,910</u>	<u>57,004</u>
		4,244,530	3,849,768
Indirect expenditure:			
Management & administrative expenditure	7	160,196	154,191
Total expenditure		<u>4,404,726</u>	<u>4,003,959</u>
Net income resources for the year		1,143,202	291,971
Total funds brought forward		2,255,184	1,963,213
Total funds carried forward		<u>3,398,386</u>	<u>2,255,184</u>

The notes on pages 25 to 28 form part of these financial statements.

FINANCIAL ACTIVITIES:

PALESTINIAN RELIEF AND DEVELOPMENT FUND – INTERPAL

BALANCE SHEET AS AT 31ST DECEMBER 2002

	Notes	2002	2001
FIXED ASSETS			
Fixed Assets	8	65,686	110,235
CURRENT ASSETS			
Debtors & Prepayments	31,105	7,206	
Cash at bank and in hand	<u>3,319,009</u>	<u>2,150,796</u>	
	<u>3,350,114</u>	<u>2,158,002</u>	
CURRENT LIABILITIES			
Creditors & Accruals	<u>17,414</u>	<u>13,053</u>	
NET CURRENT ASSETS		<u>3,332,700</u>	<u>2,144,949</u>
NET ASSETS		<u>3,398,386</u>	<u>2,255,184</u>
CAPITAL RESERVE			
Reconciliation of Funds – Unrestricted			
Total funds brought forward		2,255,184	1,963,213
Net movement in funds for the year		<u>1,143,202</u>	<u>291,971</u>
Total funds carried forward		<u>3,398,386</u>	<u>2,255,184</u>

Approved by the Committee:

Chairperson

Date 30 October 2003

The notes on pages 25 to 28 form part of these financial statements.

FINANCIAL ACTIVITIES:

PALESTINIANS RELIEF AND DEVELOPMENT FUND – INTERPAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2002

1 ACCOUNTING POLICIES

a) Basis of Accounting:

The accounts have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets.

The accounts have been prepared in accordance with the Statement of Recommended Practice for charity accounts.

b) Income

Voluntary income and donations are accounted for as received by the charity.

c) Depreciation

Depreciation is provided, after taking account of any grants receivable, to write off the cost or valuation of the fixed assets including assets subject to hire purchase contracts over their expected useful lives on the following annual rates on cost in first year and on written down value thereafter:

Freehold Properties	2% on Cost
Fixtures and fittings	25% on WDV
Equipment	25% on WDV
Motor Vehicles	25% on WDV

d) Foreign currency translation

Income received from overseas and costs incurred in foreign currency are translated at the average rate during the year.

Balances with banks at the end of the financial year are translated at the closing rate.

	2002	2001
Average rate - £1 = US\$	1.55	1.55
Closing rate - £1 = US \$	1.58	1.55
Average rate - £1 = Euro	1.66	1.66
Closing rate - £1 = Euro	1.57	1.66

2 RESPONSIBILITIES OF EXECUTIVE COMMITTEE

The Executive Committee is required to prepare financial statements for each financial year which give a true and fair view of the charity's state of affairs at the end of the year and income and expenditure for the year then ended. In preparing those financial statements, the Committee is required to select suitable accounting policies and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The Committee must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operations. The Committee is responsible for keeping proper accounting records which disclose at any time the financial position of the charity and enable it to ensure that the financial statements comply with the charity's constitutional and legal provisions. They are also responsible for safeguarding the assets of the charity and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FINANCIAL ACTIVITIES:

PALESTINIANS RELIEF AND DEVELOPMENT FUND – INTERPAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2002

3 PARTICULARS OF EMPLOYEES

The average number and aggregate payroll costs of staff employed during the year:

	No.	2002	No.	2001
Number of employees:				
Under £20,000	7	77,992	7	76,983
Between £20,000 - £40,000	1	28,040	1	26,575
		<u>106,032</u>		<u>103,558</u>

4 INCOMING RESOURCES

The charity's income resources are classified as un-restricted funds.

5 DIRECT CHARITABLE EXPENDITURE

	2002	2001
Aid for Palestine	3,575,495	3,236,148
Aid for Palestinians in Jordan	224,873	303,953
Aid for Palestinians in Lebanon	306,252	236,463
Education & other grants – UK	10,000	16,200
	<u>4,116,620</u>	<u>3,792,764</u>

6 FUND RAISING & PUBLICITY

Campaign & travelling	127,910	57,004
	<u>127,910</u>	<u>57,004</u>

7 MANAGEMENT & ADMINISTRATIVE EXPENDITURE

Premises & office expenses	52,764	40,988
Staff costs	106,032	103,558
Audit fees	4,000	2,500
Bank charges	262	3,279
Depreciation	4,153	3,925
Exchange loss/ (Gain)	(1,987)	(59)
Profit/(loss) on disposal of Fixed assets	(5,028)	-
	<u>160,196</u>	<u>154,191</u>

FINANCIAL ACTIVITIES:

PALESTINIANS RELIEF AND DEVELOPMENT FUND – INTERPAL

NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31ST DECEMBER 2002

8 INTANGIBLE AND TANGIBLE FIXED ASSETS

	OPENING BALANCE	ADDITIONS	DISPOSALS	CLOSING BALANCE
COST OR VALUATION				
Freehold properties	111,890		(50,000)	61,890
Fixtures & Fittings	3,392			3,392
Equipment	23,175	6,604		29,779
	<u>138,457</u>	<u>6,604</u>	<u>(50,000)</u>	<u>95,061</u>
DEPRECIATION				
Freehold properties	6,714	1,238	(3,000)	4,952
Fixtures & Fittings	2,939	113		3,052
Equipment	18,569	2,802		21,371
	<u>28,222</u>	<u>4,153</u>	<u>(3,000)</u>	<u>29,375</u>
NET BOOK VALUE				
Freehold Properties	105,176			56,938
Fixtures & Fittings	453			340
Equipment	4,606			8,408
	<u>110,235</u>			<u>65,686</u>

9 RELATED PARTY TRANSACTIONS

No transactions to related party were undertaken such as are required to be disclosed under Financial Reporting Standards 8.

FINANCIAL ACTIVITIES:

PALESTINIANS RELIEF AND DEVELOPMENT FUND – INTERPAL FLOW OF FUNDS STATEMENT YEAR ENDED 31ST DECEMBER 2002

	2002		2001	
	£	£	£	£
REVENUE FUNDS				
Net income for the year		1,143,202		291,971
Add non cash items:				
Depreciation	4,153			
Profit on disposal of fixed assets	(5,028)			3,925
		(875)		
Trading cash flow		1,142,327		295,896
Working capital movements				
(Increase) / Decrease in debtors	(23,899)		(3,706)	
(Decrease) / Increase in creditors	4,361		(1,919)	
Net cash (outflow)/inflow from working capital		(19,696)		(5,625)
Net revenue funds		1,122,631		290,271
MOVEMENT OF CAPITAL FUNDS				
Fixed assets purchased	(6,604)			
Receipts from sale of fixed assets	52,186			
Net cash inflow from capital transactions		45,582		
MOVEMENT IN NET LIQUID FUNDS		1,168,213		290,271
REPRESENTED BY:				
Increase in cash & bank		1,168,213		290,271
balances		1,168,213		290,271

Palestinians Relief & Development Fund
ANALYSIS OF GRANTS MADE IN 2002

ANALYSIS OF GRANTS MADE IN 2002

Total Number of Grants 2002					
	Humanitarian Aid	Medical	Community Development	Education	Total
Individuals	1	-	-	4	5
Institutions	412	19	54	65	550
Totals	413	19	54	69	555

Total Value of Grants 2002 (Total Charitable Expenditure)					
	Humanitarian Aid	Medical	Community Development	Education	Total
Individuals		-	-	£1,300.00	£1,300.00
Institutions	£2,841,457.06	£214,387.45	£724,007.84	£335,467.23	£4,115,319.58
Totals	£2,841,457.06	£214,387.45	£724,007.84	£336,767.23	£4,116,619.58

Sub-analysis of Grants made to Institutions in 2002											I/V
Name of Beneficiary Organisation	Country	Project Categories								Total Grants	Total Amount
		Humanitarian		Medical		Com.Development		Education			
		Grants	Amount	Grants	Amount	Grants	Amount	Grants	Amount		
Al-Salah Islamic Association GAZA	Palestine	14	£359,359.29	-	-	-	-	1	£8,387.01	15	£367,746.39
PFP Ltd - New Zealand (Qurban) Canned Meat Project)	Palestine	3	£324,278.06	-	-	-	-	-	-	3	£324,278.06
SANABIL ASSOCIATION For Relief and Development	Lebanon	14	£238,009.48	-	-	3	£21,032.26	4	£14,001.61	21	£273,043.35
Humanitarian Relief Association - Beit Al-Maqadis	Palestine	2	£23,915.81	1	£64,516.13	3	£157,310.65	-	-	6	£245,742.58
Islamic Charitable Society - Al-Khalil	Palestine	12	£195,807.45	-	-	2	£24,310.00	2	£6,225.81	16	£226,343.26
Mercy Association for Children	Palestine	12	£174,513.84	-	-	1	£13,900.00	-	-	13	£188,413.84
Social Reform Society - Jordan	Jordan	12	£153,712.23	-	-	1	£1,290.32	1	£3,225.81	14	£158,228.35
Al-Mujama Al-Islami - Gaza	Palestine	11	£105,337.03	-	-	1	£13,900.00	-	-	12	£119,237.03
Al-Mujama Al-Islami - Khan Yunis	Palestine	8	£32,011.23	-	-	1	£13,900.00	3	£70,967.74	12	£116,878.97
Dar Al-Fadila Benevolent Home for Orphans	Palestine	-	-	-	-	1	£116,129.03	-	-	1	£116,129.03
Islamic Society - Gaza	Palestine	8	£64,462.13	-	-	2	£31,250.00	1	£9,677.42	11	£105,389.55
Jenin Zakat Committee	Palestine	14	£83,253.35	-	-	-	-	3	£11,677.42	17	£94,930.77
Tulkarem Zakat Committee	Palestine	12	£61,635.26	2	£10,122.81	-	-	3	£9,951.61	17	£81,709.68
Islamic Heritage Committee	Palestine	3	£25,504.68	-	-	2	£53,401.94	-	-	5	£78,906.61
Nablus Zakat Committee	Palestine	14	£72,055.48	-	-	-	-	2	£6,225.81	16	£78,281.29
Al-Tadamun Charitable Society Nablus	Palestine	6	£39,860.16	-	-	2	£32,640.00	-	-	8	£72,500.16
Islamic Society - Nusairat Camp	Palestine	10	£48,731.81	1	£6,451.61	2	£13,910.00	1	£2,000.00	14	£71,093.42
Gaza Zakat Committee	Palestine	9	£53,011.00	-	-	-	-	1	£2,000.00	10	£55,011.00
Al-Islah Charitable Society - Ramallah & Al-Bireh	Palestine	2	£30,591.61	-	-	2	£22,570.00	-	-	4	£53,161.61
Students Friends Society	Palestine	-	-	-	-	-	-	4	£49,353.00	4	£49,353.00
Ramallah Zakat Committee	Palestine	10	£39,565.26	-	-	-	-	1	£3,700.00	11	£43,265.26
Muslim Youth Society - Al Khalil	Palestine	10	£34,400.03	-	-	-	-	2	£7,741.94	12	£42,141.97
Khan Yunis Zakat Committee	Palestine	9	£36,783.68	-	-	-	-	1	£1,000.00	10	£37,783.68

Sub-analysis of Grants made to Institutions in 2002											II/V
Name of Beneficiary Organisation	Country	Project Categories								Total Grants	Total Amount
		Humanitarian		Medical		Com.Development		Education			
		Grants	Amount	Grants	Amount	Grants	Amount	Grants	Amount		
Al-Rahma Zakat Committee - Khan Yunis	Palestine	5	£33,320.48	-	-	-	-	-	-	5	£33,320.48
Al-Islah Charitable Social Society - Jericho	Palestine	7	£31,011.87	-	-	-	-	1	£2,000.00	8	£33,011.87
Social Charitable Association - Rafah	Palestine	6	£28,640.29	-	-	-	-	1	£1,500.00	7	£30,140.29
Muslim Women Society	Palestine	1	£6,897.00	-	-	2	£16,425.81	1	£6,451.61	4	£29,774.42
Orphan Care Society - Beitlehem	Palestine	9	£29,226.68	-	-	-	-	-	-	9	£29,226.68
Islamic Society - Rafah	Palestine	3	£11,655.06	-	-	1	£13,900.00	1	£2,500.00	5	£28,055.06
Islamic Charity Centre - Jordan	Jordan	2	£26,026.45	-	-	-	-	-	-	2	£26,026.45
Quran And Sunnah Society	Palestine	6	£22,425.16	-	-	-	-	1	£3,225.81	7	£25,650.97
Al-Razi Hospital	Palestine	-	-	3	£25,606.68	-	-	-	-	3	£25,606.68
Islamic Welfare Association	Lebanon	4	£25,228.48	-	-	-	-	-	-	4	£25,228.48
Taffouh Charitable Society	Palestine	5	£9,116.68	1	£14,838.71	-	-	1	£81.00	7	£24,036.39
Science and Culture Center	Palestine	1	£3,448.00	-	-	2	£19,354.84	-	-	3	£22,802.84
Islamic Society - Al-Qarara	Palestine	3	£10,767.97	-	-	1	£9,677.42	1	£1,935.48	5	£22,380.87
Bani Naim Charitable Society	Palestine	4	£21,316.03	-	-	-	-	-	-	4	£21,316.03
Al-Lod Charitable Society	Palestine	1	£6,897.00	-	-	2	£13,815.42	-	-	3	£20,712.42
Islamic University of Gaza	Palestine	1	£10,345.00	-	-	-	-	1	£10,000.00	2	£20,345.00
WAMY - Gaza Office	Palestine	-	-	-	-	-	-	1	£20,000.00	1	£20,000.00
Qalqilya Society For Rehabilitation	Palestine	4	£19,718.23	-	-	-	-	-	-	4	£19,718.23
Charitable Society for the Support of Palestinian Students	Palestine	1	£3,448.00	1	£16,129.03	-	-	-	-	2	£19,577.03
Al-Islah Charitable Society - Jerusalem	Palestine	-	-	1	£19,354.84	-	-	-	-	1	£19,354.84
Tarqoumia Zakat Committee	Palestine	6	£16,614.84	-	-	-	-	1	£2,000.00	7	£18,614.84
Beit Fajjar Zakat Committee	Palestine	5	£10,711.35	-	-	1	£2,580.65	2	£5,170.97	8	£18,462.97
Islamic Society - Jabalia City	Palestine	2	£8,187.32	-	-	1	£9,677.42	-	-	3	£17,864.74

Sub-analysis of Grants made to Institutions in 2002											III/V
Name of Beneficiary Organisation	Country	Project Categories								Total Grants	Total Amount
		Humanitarian		Medical		Com.Development		Education			
		Grants	Amount	Grants	Amount	Grants	Amount	Grants	Amount		
Dura Zakat Committee	Palestine	7	£17,838.94	-	-	-	-	-	-	7	£17,838.94
El-Wafa Charitable Society	Palestine	1	£3,448.00	-	-	1	£13,900.00	-	-	2	£17,348.00
Al-Islah Charitable Social Society - Beithelem	Palestine	1	£6,897.00	-	-	1	£10,420.00	-	-	2	£17,317.00
Orphans and Needy Welfare Society - Jericho	Palestine	9	£12,083.65	-	-	-	-	3	£5,225.81	12	£17,309.45
Tubas Zakat Committee	Palestine	12	£15,515.97	-	-	-	-	1	£1,700.00	13	£17,215.97
Dheisha Camp Zakat Committee	Palestine	4	£9,763.48	-	-	-	-	3	£6,516.13	7	£16,279.61
Tarqoumia Charitable Society - Hebron	Palestine	-	-	2	£16,129.03	-	-	-	-	2	£16,129.03
Anebta Zakat Committee	Palestine	8	£15,703.42	-	-	-	-	-	-	8	£15,703.42
Jerusalem Central Zakat Committee	Palestine	2	£8,698.29	-	-	-	-	1	£6,451.61	3	£15,149.90
Nour El-Marifa El-Khiria	Palestine	1	£3,448.00	-	-	-	-	1	£10,967.74	2	£14,415.74
Islamic Society for Orphan Welfare - Yatta	Palestine	4	£14,204.42	-	-	-	-	-	-	4	£14,204.42
Islamic Society - Beit Hanoun	Palestine	-	-	-	-	1	£14,193.55	-	-	1	£14,193.55
Public Service Committee	Palestine	-	-	-	-	1	£13,900.00	-	-	1	£13,900.00
Yatta Zakat Committee - Al-Khalil	Palestine	5	£11,890.39	-	-	-	-	1	£2,000.00	6	£13,890.39
Arab Women Welfare Society	Palestine	2	£11,545.00	-	-	-	-	1	£2,200.00	3	£13,745.00
Al-Makassed Islamic Charitable Society - Hospital	Palestine	1	£6,451.61	1	£6,897.00	-	-	-	-	2	£13,348.61
Yaffa Medical Centre (See Al-Salah Society)	Palestine	-	-	2	£12,951.61	-	-	-	-	2	£12,951.61
Qalqilya Zakat Committee	Palestine	9	£12,408.39	-	-	-	-	-	-	9	£12,408.39
Islamic Charitable Society - Dura Al-Khalil	Palestine	6	£9,948.68	-	-	-	-	1	£1,300.00	7	£11,248.68
Khalil Al-Rahman Women Society	Palestine	4	£10,930.58	-	-	-	-	-	-	4	£10,930.58
Scientific Medical Association	Palestine	-	-	1	£10,345.00	-	-	-	-	1	£10,345.00
Al-Huda Women Society - Ramallah	Palestine	1	£10,345.00	-	-	-	-	-	-	1	£10,345.00
Misir Co. - Egypt (Ramadan Food Parcels)	Jordan	1	£10,335.48	-	-	-	-	-	-	1	£10,335.48

Sub-analysis of Grants made to Institutions in 2002											IV/V
Name of Beneficiary Organisation	Country	Project Categories								Total Grants	Total Amount
		Humanitarian		Medical		Com.Development		Education			
		Grants	Amount	Grants	Amount	Grants	Amount	Grants	Amount		
Zarka Private University	Jordan	-	-	-	-	-	-	1	£10,322.58	1	£10,322.58
Al-Ram Zakat Committee	Palestine	2	£10,122.81	-	-	-	-	-	-	2	£10,122.81
Dar Al-Quran Al-Kareem Wa Al-Sunah	Palestine	-	-	-	-	1	£9,677.42	-	-	1	£9,677.42
Friends of the Blind	Palestine	-	-	-	-	2	£9,677.42	-	-	2	£9,677.42
Saida Village Zakat Committee	Lebanon	-	-	-	-	1	£9,635.00	-	-	1	£9,635.00
Islamic Society - Khan Yunis	Palestine	2	£6,945.00	-	-	-	-	1	£2,000.00	3	£8,945.00
Aqaba Village Mosque Committee	Palestine	-	-	-	-	1	£8,387.01	-	-	1	£8,387.01
Azoun Zakat Committee	Palestine	4	£8,247.01	-	-	-	-	-	-	4	£8,247.01
Kharas Zakat Committee	Palestine	3	£8,088.06	-	-	-	-	-	-	3	£8,088.06
South Society for Special Education, Ma'an	Jordan	1	£2,800.00	-	-	2	£4,400.00	-	-	3	£7,200.00
Asamou Zakat Committee	Palestine	6	£7,184.65	-	-	-	-	-	-	6	£7,184.65
Markfield Institute of Higher Education	UK	-	-	-	-	-	-	1	£7,000.00	1	£7,000.00
Sour Baher Zakat Committee	Palestine	1	£6,897.00	-	-	-	-	-	-	1	£6,897.00
Patient's Friends Society Al-Ahli Hospital - Al-Khalil	Palestine	-	-	1	£6,897.00	-	-	-	-	1	£6,897.00
Al-Mustaqbul Association for Care & Rehabilitation of the Blind	Palestine	-	-	1	£3,448.00	1	£3,225.81	-	-	2	£6,673.81
Al-Quds University	Palestine	-	-	-	-	-	-	1	£6,451.61	1	£6,451.61
Al-Aqsa Association for PMIW (Concecrated)	Palestine	1	£3,225.81	-	-	1	£3,225.81	-	-	2	£6,451.61
Ithna Zakat Committee	Palestine	3	£3,733.39	1	£700.00	-	-	1	£2,000.00	5	£6,433.39
Asira Al-Shamliya Zakat Committee	Palestine	3	£5,849.19	-	-	-	-	-	-	3	£5,849.19
Al-Rajef Centre for Special Education - Maan, Jordan	Jordan	1	£2,240.00	-	-	1	£2,240.00	1	£1,280.00	3	£5,760.00
Patient Care Society	Palestine	1	£3,448.00	-	-	1	£2,258.06	-	-	2	£5,706.06
Halhoul Zakat Committee	Palestine	5	£5,353.23	-	-	-	-	-	-	5	£5,353.23
Al-Khalil Villages	Palestine	1	£5,161.29	-	-	-	-	-	-	1	£5,161.29

Sub-analysis of Grants made to Institutions in 2002											V/V
Name of Beneficiary Organisation	Country	Project Categories								Total Grants	Total Amount
		Humanitarian		Medical		Com.Development		Education			
		Grants	Amount	Grants	Amount	Grants	Amount	Grants	Amount		
Al-Iman School	Palestine	-	-	-	-	-	-	1	£5,161.29	1	£5,161.29
Ein El-Hilwa Zakat Committee	LEBANON	1	£4,830.00	-	-	-	-	-	-	1	£4,830.00
Arourah Cultural Center	Palestine	-	-	-	-	2	£4,516.13	-	-	2	£4,516.13
Beit Kahil Zakat Committee	Palestine	3	£3,857.01	-	-	-	-	-	-	3	£3,857.01
Al-Khalil Zakat Committee	Palestine	3	£3,801.39	-	-	-	-	-	-	3	£3,801.39
Hamza Mosque - Al-Shobak	Jordan	-	-	-	-	1	£3,500.00	-	-	1	£3,500.00
Abu Hurayrah Computer Centre - Amman, Jordan	Jordan	-	-	-	-	1	£3,500.00	-	-	1	£3,500.00
Al-Ihsan Charity Society - Al-Khalil	Palestine	1	£3,448.00	-	-	-	-	-	-	1	£3,448.00
Beit Sahour Zakat Committee	Palestine	4	£3,342.16	-	-	-	-	-	-	4	£3,342.16
Al-Noor Nursery	Palestine	-	-	-	-	1	£3,225.81	-	-	1	£3,225.81
Al-Rashidya Camp - Lebanon	Lebanon	-	-	-	-	1	£3,150.00	-	-	1	£3,150.00
Islamic Charitable Society - Beit Oula	Palestine	2	£3,113.16	-	-	-	-	-	-	2	£3,113.16
Beit Oula Zakat Committee	Palestine	3	£2,941.94	-	-	-	-	-	-	3	£2,941.94
Al-Khansa Women Society - Ramallah	Palestine	1	£2,760.00	-	-	-	-	-	-	1	£2,760.00
Al-Khader Zakat & Sadaqat Committee	Palestine	1	£2,760.00	-	-	-	-	-	-	1	£2,760.00
Hibla Zakat Committee	Palestine	5	£2,129.94	-	-	-	-	-	-	5	£2,129.94
Islamic Charitable Society - Al-Shyoukh	Palestine	1	£1,995.00	-	-	-	-	-	-	1	£1,995.00
Sueer Zakat Committee	Palestine	1	£1,920.00	-	-	-	-	-	-	1	£1,920.00
Workers Association	Palestine	1	£1,400.00	-	-	-	-	-	-	1	£1,400.00
Kufur Rai Kindergarten	Palestine	-	-	-	-	-	-	1	£1,290.32	1	£1,290.32
Healthlink Worldwide	UK	-	-	-	-	-	-	1	£1,200.00	1	£1,200.00
Ard Al Insan Palestinian Benevolent Association	Palestine	-	-	-	-	-	-	1	£900.00	1	£900.00
Palestine Society - SOAS	UK	-	-	-	-	-	-	1	£500.00	1	£500.00
Silwad Zakat Committee	Palestine	1	£403.87	-	-	-	-	-	-	1	£403.87
Beita Zakat Committee	Palestine	1	£201.94	-	-	-	-	-	-	1	£201.94
Totals		412	£2,841,457.06	19	£214,387.45	54	£724,007.84	65	£335,467.23	550	£4,115,319.58

35

Financial Years Ending On or After 1 January 2002

Registered Number

1040094

45

Main
Charity
Name

PALESTINIANS RELIEF AND DEVELOPMENT FUND

- The **charity trustees** must complete this form if the charity is registered with the Commission and either the **gross income or total expenditure** of the charity is over £10,000 in the financial year covered by this form.
- This form, duly completed, **must** be sent to the Commission **within 10 months** of the end of the charity's financial year, together with a copy of the trustees' annual report, the charity's annual accounts and any accounts scrutiny report which is required.
- Information entered in this form may be recorded on the Register of Charities and may be open to public inspection.
- The meaning of all terms in **bold italic** are given in the glossary of terms enclosed with this form.
- Please enter all financial amounts in sterling to the nearest £.
- If you need any help completing this form, please call our Contact Centre on 0870-333-0123.

Q1 Financial Year

For this form the charity's financial year end must be on or after 1 January 2002.

a) Financial year Start

01 01 2002

b) Financial year End

31 12 2002

Q2 Gross Income and Total Expenditure

Extract the charity's **gross income and total expenditure** from the accounts prepared for the financial year given in Q1. Do not include the gross turnover/income of connected trading companies.

a) Gross Income

£

5 547 928
~~5 544 055~~

b) Total expenditure

£

4 404 726
~~4 389 907~~

Q3 Fund-raising

a) Does the charity engage in fund-raising?

If 'No' go directly to Q3g.

Yes



No

b) State the **gross amount received from all fund-raising efforts** during the financial year.

£

5 541 437
~~5 567 564~~c) State the **gross total expenditure in the financial year connected with all fund-raising efforts** referred to at Q3b.

£

127 910

d) Does the charity make use of **professional fund-raisers**?

If 'No' go directly to Q3f.

Yes



No

e) Does the charity have a formal written agreement satisfying the requirements of Part II Charities Act 1992 with each of the **professional fund-raisers**?

Yes



No

f) Does the charity make use of **professional fund-raising consultants**?

Yes



No

g) Are you aware of any fund-raising that has been carried out in the charity's name or for the charity's benefit but has not been authorised by the **charity trustees**?

Yes



No



Q4 Trustees - General

a) State the number of **charity trustees** at the END of the financial year.

006

b) How many of the above number **normally reside** in England or Wales?

006

LVL



1040094

1

14/0014747

Q5 Trustees - Benefits

17477

102

For the purposes of Q5 and Q6 "**charity trustees**" includes any persons, companies, or other bodies **connected** with them. Also "the charity" (except in Q5c) includes any company or other body **connected** with it and "**connected**" is defined in the glossary of terms enclosed with this form.

- a** State the total amounts paid or payable to the **charity's trustees** during the financial year from the funds of the charity:

(i) Expenses incurred by the **charity trustees** including travel, meals, accommodation and telephone costs. Do not include items which **charity trustees** purchase as agents for the charity and for which they are reimbursed by the charity at the price they paid e.g. stationery and equipment supplies.

£ 2 000

(ii) Amounts paid or payable for any professional services provided to the charity.

£ 200

(iii) Amounts paid or payable for any other services provided to the charity. Include salaries, wages and honoraria, as well as payments for services other than professional or consultancy services.

£

(iv) Other amounts paid or payable. Do not include the purchase of **trustee indemnity insurance**.

£

- b** If the charity has during the financial year paid for **trustee indemnity insurance** please state the total amount paid.

£

- c** If any payments were made under a(ii), (iii), (iv) or b, do the **charity trustees** have specific authority (either in the Governing Document of the charity or from the Court or the Charity Commission) to make these payments?

Yes ☒ No ☐

- d** At any time during the financial year, was the charity owed money by any of the **charity trustees**? Include loans made to the **charity trustees** or otherwise.

Yes ☐ No ☒**Q6 Trustees - Property**

Please see the note at the beginning of Q5. For the purposes of Q6, property should include freehold or leasehold land or buildings, vehicles and computers etc. If applicable, zero should be inserted.

- a** If the charity sold any property to any of the **charity trustees** during the financial year, then please state the total value of the property sold.

£

- b** If the charity purchased any property from any of the **charity trustees** during the financial year, then please state the total value of the property purchased.

£

- c** If the charity occupies any land or buildings belonging to any of the **charity trustees**, then please state the total amount paid during the financial year in respect of that occupation. Include rent or licence fee, any premium or capital payment and all other payments made under the tenant's covenants in the lease or under the terms of the licence e.g. on repairs or improvements to the property.

£

- d** Have any services, including the use of land or buildings and motor vehicles, been made available during the financial year by the charity to **charity trustees** otherwise than as one of the charity's beneficiaries?

Yes ☐ No ☒

Q7 Occupation of Functional Property

17478

103

- a** Does the charity have any **functional property**?

If 'No' go directly to Q8.

Yes ☐ No ☒

- b** During the financial year, was any part of the charity's **functional property** occupied by anyone other than the charity, one of its beneficiaries, or another charity at either **reduced or nil rent**?

Yes ☐ No ☐

- c** During the financial year, was any part of the charity's **functional property** not occupied by anyone? Do not include **functional property** which is only temporarily unoccupied by the charity (for a period of 12 months or less) and is intended to be used by the charity in future.

Yes ☐ No ☐

Q8 Dealings with Connected Trading Companies

- a** Does the charity have any **connected** trading companies?

If 'No' go directly to Q9

Yes ☐ No ☒

- b** Give the total outstanding balance of all loans owed to the charity by the **connected** trading companies as at the end of the financial year given in Q1 (from the accounts).

£

(i) Are all the loans in Q8b secured?

Yes ☐ No ☐

(ii) Do the **connected** trading companies pay interest on all the loans in Q8b at commercial rates?

Yes ☐ No ☐

(iii) Are all the loans in Q8b repayable within a period specified in each of the loan agreements?

Yes ☐ No ☐

- c** If the charity made any loans to any of its **connected** trading companies during the financial year, which were repaid during the same financial year, please state the total amount of **connected** trading company loans.

£

The amount of the loans for each **connected** trading company is the maximum amount owed by that connected trading company at any time during the financial year. The total amount is the sum of all these maxima.

- d** Has any money originally loaned to a **connected** trading company not been repaid, but has instead during the financial year:

(i) been subscribed by the charity for the issue of new shares in that company (i.e. converted to share capital)? And/or

Yes ☐ No ☐

(ii) been written off?

Yes ☐ No ☐

Where provision has been made in the accounts of the charity for the partial or total non-repayment of a loan which the charity has made, the loan should be treated as "written off".

- e** State the total amounts due at the end of the financial year to the charity from the **connected** trading companies excluding loans.

£

This could include amounts owing to the charity for goods and services provided, or service charges, or as a result of charging expenses of the company to the charity.



1040094

3

14/0014747

Dealings with Connected Trading Companies (cont.)

104

- f Please give the following details about all of the charity's **connected** trading companies for the last complete financial year ending on or before the last day of the financial year given in Q1:

(i) Overall total turnover

£

(ii) Overall total profit or loss on ordinary activities before taxation (losses should be shown by placing figures in brackets).

£

For present purposes, profit or loss on ordinary activities should be calculated before deducting any gifts made to the charity.

(iii) Total amounts transferred to the charity.

£

These should include amounts transferred by deed of covenant, gift aid, dividend or any other similar means. Transfers by deed of covenant or gift aid should be treated as having been made by the company in the financial year in which they are treated for tax purposes as being made.

Q9 Misappropriation of Assets

- a During the financial year, have any of the charity's assets been stolen or otherwise misappropriated by a person who was, at the time, associated with the charity (whether the assets or their value have been recovered or not)?

Yes

☐

No

☒

This includes **charity trustees**, custodian trustees, holding trustees, officers, agents or employees and clients or beneficiaries of the charity or any persons, companies or other bodies **connected** with them.

- b Please state the amount of money or value of the assets which have been stolen or otherwise misappropriated.

£

Declaration – those who give answers that they know or suspect are untrue or misleading may be committing an offence.

I certify that the information given in this form is correct to the best of my knowledge and **has been brought to the attention of all the charity trustees.**

Signed, by one of the **charity trustees** on behalf of all **charity trustees**

Date

30/10/05

Title and Full Name (Please use BLOCK CAPITALS)

Title

MR.

Full Name

IBRAHIM B. HEWITT

Daytime Telephone Number

07976-327119

You may find it useful to keep a copy of your completed form.

Charity Commission PO Box 922, Liverpool L69 3WP
Contact Centre 0870-333-0123 (6 lines) Fax 0151-703-1564
Internet Address: www.charitycommission.gov.uk

Financial Years Ending On or After 1 January 2002

ALL REGISTERED CHARITIES MUST UPDATE THIS INFORMATION

Notes about this form

- Trustees of all registered charities are legally required to notify us of any changes to their charity's entry on the Register of Charities. Completing this form is a convenient way of doing this.
- Most of the information entered on this form will be open to public inspection. Charities can seek a dispensation to exclude their address and/or trustees names from their annual report. If a proper case can be made and a dispensation is given we will also exclude this information from the public Register of Charities. If you need more information about obtaining a dispensation please call our Contact Centre on 0870-333-0123.
- Even if there are no other changes, trustees must ensure that they provide the financial information requested in section 2 and complete the declaration on the back page.
- **Do not lose this form.** It is not possible to reproduce the pre-printed information on any duplicate form issued.
- Please complete in block capitals in black ink.
- If you need any help completing this form, please call our Contact Centre on 0870-333-0123.

1. Charity Number, Names & Company Number

Registered number

1040094

45

**Main
Charity
Name**

PALESTINIANS RELIEF AND DEVELOPMENT FUND

Cross out any name above that is no longer used or needs amendment. Enter changes/new name below:

If you haven't already done so, please send us a copy of the resolution by which the name was changed.

1. INTERPAL

**Charity's
working
names**

Some charities like to use a working name as well as their main name. You can enter a working name here (if you have one). This may help the public to trace your charity on our public register. If the charity has more than three working names, only three will be printed above.

Cross out any name above that is no longer used or needs amendment. Enter changes/new names below:

LVL



1040094

1

Company Number

NOT REGISTERED

102

If the number is wrong or missing please enter the correct details below:

If a number is shown but the charity is not a company, then please put a cross in this box:

☐

2. Financial Information

This should be completed for the Financial Year Ending on or after 1 January 2002.

Enter changes/new financial information below:

Financial Year Start 01/01/2002

--	--	--	--	--	--	--	--

Financial Year End 31/12/2002

--	--	--	--	--	--	--	--

Next Financial Year End 31/12/2003

--	--	--	--	--	--	--	--

Extract your Gross Income and Total Expenditure from the accounts prepared for the financial year given above. Do not include the gross turnover/income of connected trading companies. Important guidance on how to calculate gross income and total expenditure is given in the Glossary of Terms which accompanied the Annual Return form.

Gross Income (to nearest £)

		5	5	4	7	9	2	8
£		5	5	7	4	0	5	5

Total Expenditure (to nearest £)

		4	4	0	4	7	0	7
£		4	3	8	5	7	0	7

Please ensure the Income and Expenditure figures above are rounded to the nearest pound. Do not include a decimal point or pence figures.

3. Charity Contact Details

Charities can seek a dispensation to exclude their address and/or trustees names from their annual report. If a proper case can be made and a dispensation is given we will also exclude this information from the public Register of Charities. If you need more information about obtaining a dispensation please call our Contact Centre on 0870-333-0123.

Charities which have been given a dispensation should NOT complete this section of the form, but notify us separately of any change in their contact details.

Correspondent

J QUNDIL
Po Box 3333
London

NW6 1RW

Tel No: 0208 450 8002

Fax No: 0208 450 8004

Enter changes/new addresses below:

Name
Address
Postcode
Tel No
Fax No

Company Number

NOT REGISTERED

102

If the number is wrong or missing please enter the correct details below:

If a number is shown but the charity is not a company, then please put a cross in this box:

☐

2. Financial Information

This should be completed for the Financial Year Ending on or after 1 January 2002.

Enter changes/new financial information below:

Financial Year Start 01/01/2002

Financial Year End 31/12/2002

Next Financial Year End 31/12/2003

Extract your Gross Income and Total Expenditure from the accounts prepared for the financial year given above. Do not include the gross turnover/income of connected trading companies. Important guidance on how to calculate gross income and total expenditure is given in the Glossary of Terms which accompanied the Annual Return form.

Gross Income (to nearest £)

£

		5	5	7	4	0	5	5
--	--	---	---	---	---	---	---	---

Total Expenditure (to nearest £)

£

		4	3	8	9	9	0	7
--	--	---	---	---	---	---	---	---

Please ensure the Income and Expenditure figures above are rounded to the nearest pound. Do not include a decimal point or pence figures.

3. Charity Contact Details

Charities can seek a dispensation to exclude their address and/or trustees names from their annual report. If a proper case can be made and a dispensation is given we will also exclude this information from the public Register of Charities. If you need more information about obtaining a dispensation please call our Contact Centre on 0870-333-0123.

Charities which have been given a dispensation should NOT complete this section of the form, but notify us separately of any change in their contact details.

Correspondent

J QUNDIL
Po Box 3333
London

Enter changes/new addresses below:

Name

Address

Postcode

Tel No

Fax No

NW6 1RW

Tel No: 0208 450 8002

Fax No: 0208 450 8004

E-mail address info@interpal.org

103

Cross out any e-mail address that is no longer used or requires amendment. Enter changes/new e-mail address below:

Web site www.interpal.org

Cross out any web site address that is no longer used or requires amendment. Enter changes/new web site address below:

4. Trustees

The Charity trustees are the people responsible under the charity's governing document for controlling the management and administration of the charity, regardless of what they are called. For instance, in the case of an unincorporated association, the executive or management committee are its trustees, and in the case of a charitable company, it is the directors who are the trustees. If a corporate body acts as trustee e.g. a local authority, the name of this corporate body and its address should be entered here, not the names of the individuals that comprise that body.

The details provided should apply to the trustees in post at the date you complete this form. We need the date of birth for identification purposes, but will not make it available to the public.

Below are details of the first 50 trustees we currently know about. Please check the list of current trustees and if any change is needed to a name, post code, telephone number or date of birth just complete the corresponding box. For changes to any other part of the address please write the address in full again. If a trustee is no longer acting, cross the 'No longer trustee' box. We have also asked for the total number of trustees of the charity. This will assist us in determining how many charities have more than 50 trustees.

If we have omitted the names of any trustees who have been acting for some time, don't make any entries in this section, **please enter their details in section 5** (we will then enter these onto our database). Also if we show more than one entry for the same trustee please cross the 'No longer trustee' box by the entry you want us to delete. It is possible that the same trustee could be listed twice due to a variation in the way the information has been presented.

Please use section 5 to advise us of the details of any new trustees.

Total number of trustees:

Current trustees

- 1 MR ESSAM Y MUSTAFA
C/O Po Box 3333
London

NW6 1RW
07779 601768
17/11/1955

No longer trustee

Enter changes/amendments below:

Name

Address

Postcode

Tel No

Date of Birth

No longer trustee

Name

Address

Postcode

Tel No

Date of Birth 07/11/1956

- 2 MR GHASSAN FAOUR
2 Grovelands Road
London

N13 4RH
07711 111289

4. Trustees (cont'd)

Current trustees

3 MR IBRAHIM BRIAN HEWITT
55 Henley Road
Leicester

LE3 9RD
07976 327119
10/07/1956

No longer
trustee

☐

Enter changes/amendments below:

Name
Address
Postcode
Tel No
Date of Birth

4 MR ISMAIL Y GINWALLA
3 Stratton Road
Gloucester

GL1 4HD
07775 703810
16/02/1961

No longer
trustee

☐

Name
Address
Postcode
Tel No
Date of Birth

5 MR MAHFOUZH SAFIEE
89 Denzil Road
London

NW10 2UY
0208 930 3065
02/02/1965

No longer
trustee

☐

Name
Address
Postcode
Tel No
Date of Birth

6 MR SHAHAN IZZAT HUSSAIN
13 St. Winefride's Avenue
London

E12 6HQ
0208 553 9827
16/07/1934

No longer
trustee

☐

Name
Address
Postcode
Tel No
Date of Birth

7 DR AZZAM TAMIMI
Po Box 31203
London

NW2 7ZW
07768 298219
13/03/1955

No longer
trustee

☒

Name
Address
Postcode
Tel No
Date of Birth

4. Trustees (cont'd)

105

Current trustees

No longer trustee

Enter changes/amendments below:

Name MR. M. RAFIQ VINDHANI
Address 33 PARKER DRIVE
LEICESTER
49 FAIRWAY
OADBY
Postcode LE4 0JP LE2 2HN
Tel No 07850-763 838
Date of Birth 28/05/1961

No longer trustee

Name
Address
Postcode
Tel No
Date of Birth

No longer trustee

Name
Address
Postcode
Tel No
Date of Birth

No longer trustee

Name
Address
Postcode
Tel No
Date of Birth

No longer trustee

Name
Address
Postcode
Tel No
Date of Birth

5. New Trustees

Please enter the details here for any **new trustees**. If there is insufficient space, please photocopy this sheet and attach it to the form.

Name

Address

Postcode

Tel No

Date of Birth

Name

Address

Postcode

Tel No

Date of Birth

Name

Address

Postcode

Tel No

Date of Birth

Name

Address

Postcode

Tel No

Date of Birth

Name

Address

Postcode

Tel No

Date of Birth

Name

Address

Postcode

Tel No

Date of Birth

Name

Address

Postcode

Tel No

Date of Birth

Name

Address

Postcode

Tel No

Date of Birth

Name

Address

Postcode

Tel No

Date of Birth

Name

Address

Postcode

Tel No

Date of Birth

6. Classification of Charities on the Register of Charities

107

Every charity should have at least one category chosen in each of the three elements. You may cross more than one box in each Element where several apply but you should only cross boxes significant to your charity (ie do not cross "Makes grants to individuals" if you rarely give grants). You do not need to cross the same number of boxes in each Element.

Those charities who completed this section last year will see that their details are pre-printed below and if these details haven't changed, you should cross the "If current classification is correct" box below.

Those charities whose circumstances have changed from last year should amend their pre-printed classification details by crossing out the entries that no longer apply below and crossing the categories that apply or should be added on the following page.

Those charities who failed to complete this part of the form last year are now asked again to submit the details of their classification by crossing at least one box for each element on the following page.

Current Classification

Element 1 - Topic (What does your charity set out to do?)

- 101 - General Charitable Purposes
- 102 - Education/Training
- 103 - Medical/Health/Sickness
- 104 - Disability
- 105 - Relief of Poverty
- 112 - Environment/Conservation/Heritage
- 113 - Economic/Community development/Employment

Element 2 - Beneficiaries (Who does your charity help?)

- 205 - Other charities/Voluntary bodies
- 206 - Other defined groups

Element 3 - Method of operation (How does your charity operate?)

- 301 - Makes grants to individuals (includes loans)
- 302 - Makes grants to organisations (includes schools, charities, etc)

Please cross out any of the above classifications that no longer apply. New/additional classifications should be entered overleaf.

If current classification is correct please put a cross in this box



Element 1: Topic (What)	New Classification Cross X		New Classification Cross X
101 General charitable purposes	<input type="checkbox"/>	108 Religious activities	<input type="checkbox"/>
102 Education/training	<input type="checkbox"/>	109 Arts/culture	<input type="checkbox"/>
103 Medical/health/sickness	<input type="checkbox"/>	110 Sport/recreation	<input type="checkbox"/>
104 Disability	<input type="checkbox"/>	111 Animals	<input type="checkbox"/>
105 Relief of poverty	<input type="checkbox"/>	112 Environment/conservation/heritage	<input type="checkbox"/>
106 Overseas aid/famine relief	<input type="checkbox"/>	113 Economic/community development/employment	<input type="checkbox"/>
107 Accommodation/housing	<input type="checkbox"/>	114 Other or none of the above	<input type="checkbox"/>
Element 2: Beneficiaries (Who)			
201 Children/Young people	<input type="checkbox"/>	205 Other charities/voluntary bodies	<input type="checkbox"/>
202 Elderly/Old people	<input type="checkbox"/>	206 Other defined groups	<input type="checkbox"/>
203 People with disabilities	<input type="checkbox"/>	207 The general public/mankind	<input type="checkbox"/>
204 People of a particular ethnic or racial origin	<input type="checkbox"/>		
Element 3: Method of Operation (How)			
301 Makes grants to individuals (includes loans)	<input type="checkbox"/>	306 Provides services (eg care/counselling)	<input type="checkbox"/>
302 Makes grants to organisations (includes schools, charities, etc)	<input type="checkbox"/>	307 Provides advocacy/advice/information	<input type="checkbox"/>
303 Provides other finance (eg pensions)/investment fund	<input type="checkbox"/>	308 Sponsors or undertakes research	<input type="checkbox"/>
304 Provides human resources (eg staff/volunteers)	<input type="checkbox"/>	309 Acts as an umbrella or research body	<input type="checkbox"/>
305 Provides buildings/facilities/open space	<input type="checkbox"/>	310 Other or none of the above	<input type="checkbox"/>

Declaration

I certify that the information given in this form is correct to the best of my knowledge.

Signed, by one of the charity trustees on behalf of all the charity trustees

 Date 30/10/03

Title and full name (please use BLOCK CAPITALS)

Title MR. Full Name IBRAHIM B. HEWITT

Daytime telephone number 07976-327119

You may find it useful to keep a copy of your completed form.

Charity Commission, PO Box 922, Liverpool L69 3WP
Contact Centre 0870-333-0123 (6 lines) Fax 0151-703-1564
Internet Address: www.charitycommission.gov.uk